

## German Media Giant Buys Random House

Purchase of August Publisher Cements Bertelsmann as No. 1 in the U.S. Market

By John Schmid  
International Herald Tribune

FRANKFURT — The German media group Bertelsmann AG, fulfilling an ambition to become the world's leading English-language book publisher, said Monday it would buy Random House Inc., America's biggest publisher of general-interest books and one of its oldest and most prestigious imprints.

The purchase of Random House from Advance Publications Inc., which is controlled by the Newhouse family, ensures that Bertelsmann will rank among the most influential publishers on the globe. It will have a leading position in the huge U.S. market and bring into one stable some of the English language's best-selling authors, said Jim Milliot, business editor for New York-based Publishers Weekly, an industry trade journal.

Terms of the deal were not disclosed.

Bertelsmann, which already publishes such hot U.S. novelists as John Grisham through its Bantam Doubleday Dell Publishing Group, will consolidate all its U.S. publishing divisions under the celebrated Random House name, increasing Random House's annual sales to an estimated \$1.6 billion from \$900 million currently.

Mr. Milliot said the addition of Random House would make Bertelsmann nearly double the size of its nearest rivals in the United States.

Random House, founded in 1925, gives the German giant a roster of best-selling authors including John Irving, John Updike, Norman Mailer, the Pulitzer Prize winner Richard Ford and the Nobel Prize winner Toni Morrison. Over the years, Random House has launched writers whose works became classics, including Robert Penn Warren, William

Faulkner and Truman Capote.

Its most recent blockbuster success was the publication of John Grisham's "Midnight in the Garden of Good and Evil," which has been on the New York Times best-seller list for the past 192 weeks, longer than any other hardcover work of fiction or nonfiction.

"Our new company will draw and build upon the strengths of two great publishing traditions," said Peter Olson, who is chairman of Bertelsmann Book Group North America and will head the new Random House. Alberto Vitale, the current chief executive of Random House, will remain with the company as chairman of a newly created supervisory board.

Bertelsmann, Europe's biggest media group and the world's third-largest behind Time Warner Inc. and Walt Disney Co., stands to augment its already considerable authority in the publishing industry, analysts said.

Bertelsmann and Random House will be able to bid for global publishing rights to promising new titles instead of selectively buying rights for individual national markets, analysts said.

The vast library of Random House titles will help Bertelsmann compete in its new Internet book-retailing venture, BooksOnline, which aims to sell titles by all publishers in several languages. The German conglomerate announced plans last month to join Amazon.com and Barnes & Noble in the fiercely competitive on-line book vending sector.

Advance Publications decided to sell Random House to concentrate on the "management and expansion of its core business of newspapers, magazines, business journals and cable," said S.I. Newhouse Jr., the New York media entrepreneur and chairman of Advance Publications.

See DEAL, Page 4

## Yeltsin Dismisses His Entire Team

The Struggle For Control

David Hoffman  
Washington Post Service

MOSCOW — Sidelined by illness, President Boris Yeltsin appeared to be barely holding on just a few days ago.

Isolated at his country residence, he was so frail his doctors announced that a planned summit meeting this week with Western European leaders would have to be moved from his hometown, Yekaterinburg in the Ural Mountains, to Moscow because the president could not endure the flight.

On Monday Mr. Yeltsin roused himself. With a suddenness and drama he has relished in the past, he pulled the tablecloth out from under his own gov-

Cabinet Lacked 'Dynamism and Initiative,' He Says

By Daniel Williams  
Washington Post Service

MOSCOW — President Boris Yeltsin dismissed his prime minister and cabinet Monday and named Energy Minister Sergei Kiriyenko, who has served in Moscow only five months, as acting prime minister.

The move, the most drastic cabinet shake-up in five years, is in keeping with Mr. Yeltsin's flair for the unexpected — a trait that many regard as hindering effective governance.

The firings came at a delicate time for Russia. Mr. Yeltsin has been enfeebled by poor health, and the dismissal of Prime Minister Viktor Chernomyrdin de-

prived the government of an experienced hand. The president also removed his top economic adviser, Deputy Prime Minister Anatoli Chubais, when the Russian economy is being wounded by investor nervousness.

While Mr. Yeltsin decides on permanent replacements, Russia is unusually rudderless.

On Monday morning, Mr. Yeltsin designated himself acting prime minister, but then passed the office to Mr. Kiriyenko.

"The offer came as a complete surprise," said Mr. Kiriyenko, 35. "I learned about it this morning."

The day's events were full of twists and contradictions.

Even as Mr. Yeltsin fired Mr. Chernomyrdin, he appealed to him to concentrate on preparations for presidential elections scheduled for 2000.

Mr. Yeltsin dismissed Mr. Chubais as well as Interior Minister Anatoli Kulikov, by name, and dismissed the rest of the cabinet for a lack of ideas and vigor. He said, however, that essential policies would not change.

Except for Mr. Chernomyrdin, Mr. Chubais and Mr. Kulikov, the rest of the government will stay at work until Mr. Yeltsin nominates replacements. By law, the president must present a permanent prime minister to Parliament for

See RUSSIA, Page 4

### NEWS ANALYSIS

ernment, announcing the dismissal of his staid but loyal prime minister, Viktor Chernomyrdin, and other cabinet officials, including the reformer Anatoli Chubais.

Behind the surprising move is the complex calculus of a looming contest for control of Russia — the presidential elections in two years — say officials inside the government and political observers outside it. The campaign is already well under way, driven by the uncertainty over Mr. Yeltsin's health.

"The 2000 elections are of immense importance to us," Mr. Yeltsin said Monday in his televised speech to announce the dismissals. "One can say that they mean the future destiny of Russia."

In firing Mr. Chernomyrdin, officials and analysts said, Mr. Yeltsin had come to the conclusion that the former chief of the Gazprom natural gas monopoly could never be elected his successor. Mr. Chernomyrdin also may have become too ambitious in the latest jockeying for the crown.

Some of Russia's financial barons, especially the industrialist Boris Beresovsky, had agitated for a housecleaning. Last week, Mr. Chernomyrdin approved the terms of a \$1.6 billion sale of the state-owned Rosneft oil company; analysts said the terms were unfavorable to Mr. Beresovsky and opportune for his rivals, which included a Gazprom-Lukoil-Sheff consortium.

In his televised address, Mr. Yeltsin said that he wanted Mr. Chernomyrdin to prepare for the campaign. But analysts said the impact was the opposite, dashing any hope that he might have of inheriting Mr. Yeltsin's mantle. Mr. Chernomyrdin's public support is so low he barely registers in national opinion polls. So Mr. Yeltsin left behind a string of unanswered questions: He gave no hint of his intentions except to say he wanted to push ahead more aggressively with reform.

Russian officials and politicians said the president has thrown open the doors to another bruising competition among the financial clans for power and influence in a new government.

"A typical Yeltsin move: unorthodox, radical and bold with no clear plan, and improvised," said an analyst, Andrei Kortunov. "When they don't know what to do, they do what they know. Yeltsin doesn't know what to do with the economy, with financial systems, with investment. He knows how to dismiss people and make heads roll."

He added: "Every power group will consider it a moment of opportunity, a vacuum they will try to fill."

Lilia Shevtsova, senior associate of the Carnegie Endowment for International Peace, said: "Yeltsin couldn't stand that he was not absolutely boss. He couldn't

See YELTSIN, Page 4



Mr. Clinton greeting well-wishers Monday after a speech in Ghana at the start of his six-nation African tour.

## Chirac Implores France To Resist Extreme Right

He Seeks to Revise Voting System to Stop 'Racists'

By Joseph Fichett  
International Herald Tribune

PARIS — As the Socialist-led leftist coalition strengthened its grip on grassroots power after a week in which the extreme right convulsed the nation's politics, President Jacques Chirac warned Monday in a television address that France risked harming its international image over Jean-Marie Le Pen's National Front.

Mr. Chirac said that France needed to reform an electoral system that had allowed special interests to exploit the country's fractious tendencies and gain disproportionate leverage in the regional elections.

"I feel we are losing sight of things: I feel that passion has taken over from reason, I feel we're harming France, its values and its image," the president said Monday. He called the Front "racist and xenophobic" and urged reform of an electoral system that gave undue weight to special interests.

Mr. Chirac's call for an all-party effort to modernize the political system was immediately welcomed by several centrist leaders as a way out of the current political confusion. Mr. Chirac apparently intends to exclude the National Front from the reform talks.

Mr. Le Pen's party won enough seats to persuade some conservatives to ignore their electoral pledges once elected, and seek the support of the National Front on the regional councils.

In separate elections tabulated Monday for a third of France's 99 departments, conservative voters, perhaps partly as a backlash against wheeling and dealing in the regional elections, handed over 10 departments to the Socialists, giving them a total of 33.

On the regional level, the left was set Monday to hold seven or eight of the 22 councils, including Provence-Alpes-Cote d'Azur and possibly Ile-de-France.

It was the National Front's successful

See FRANCE, Page 4



Jean-Marie Le Pen on Monday.

## Indonesia's Killer Smog Hits Again as Fires Rage

Compiled by the Staff from Dispatches

JAKARTA — Thousands of residents of the Indonesian city of Samarinda have fallen ill because of thick smoke from forest fires in East Kalimantan Province, the official Antara press agency reported Monday.

Visibility in the city dropped to 100 meters Sunday, as residents donned face masks to fend off choking smog, Antara said. Samarinda is near the east coast of Kalimantan on the Indonesian side of Borneo Island.

The Suara Pembaruan newspaper in Jakarta reported Sunday that smoke from the fires had caused 297 cases of pneumonia and that two people had died. But Antara reported only one death.

Several thousand people had already been suffering from eye infections and respiratory ailments, including asthma and pneumonia, the agency said.

The number of cases of illness in Samarinda, a city of 350,000, was expected to rise in coming weeks, Awang Joerni, head of the provincial health office, was quoted as saying. He urged people to curb outdoor activities.

Mr. Awang was not available for comment Monday, but a Samarinda airport meteorologist said that visibility had improved substantially.

Health concerns are on the rise as efforts to extinguish the blazes are hampered by drought and failed

attempts to induce rain by cloud seeding.

"The fires are big and very hot, making it difficult to get close," said Sumadhi, the newly installed forestry minister. "Getting within 10 meters of the fires is difficult when using traditional firefighting tools." He was referring to the hoses, rakes and buckets typically used against the flames.

Poor weather and high winds were obstructing water-bombing missions and causing planes to miss their targets.

Mr. Sumadhi said Indonesia was under pressure from neighboring nations to control the blazes and prevent a repeat of last year's smog from fires in Kalimantan and Sumatra, which caused health problems in Malaysia and Singapore.

In Samarinda, German environmentalists tracking the brush fires using satellite images have pinpointed 1,000 blazes on the island of Borneo.

Some were set by peasant farmers. But the majority, the Germans say, are on land leased by powerful timber companies that still use slash-and-burn techniques as the fastest, cheapest way to convert rain forests into timber estates and palm-oil plantations.

Liberta, an official at Dirgahayu hospital in Samarinda, said the number of patients with respiratory illnesses was increasing daily, but she gave no figures. "Most of the cases are because of the smog," she said. (Reuters, AFP, LAT)

### AGENDA

#### Oil Prices Rocket On Output Accord

Oil producers profited Monday as the price of crude shot up in response to an accord to reduce output by as much as 2 million barrels a day.

In London, the benchmark Brent crude oil for May delivery finished at \$14.90, up \$1.63 from Friday.

Analysts said the unanimity of purpose shown by OPEC members and nonmembers alike meant prices could keep rising, at least in the short term. Page 11.

The Dollar			
New York	Monday 4 P.M.	previous close	
DM	1.8262	1.8313	
DM	1.8262	1.8313	
Yen	120.475	120.45	
FF	6.1213	6.136	

The Dow			
Monday 4 P.M.	previous close		
-90.18	8816.25	8906.43	
S&P 500			
change	Monday 4 P.M.	previous close	
-3.63	1095.55	1099.18	

Books	Page 10
Wordsearch	Page 10
Opinion	Pages 8-9
Sports	Pages 18-19
The IHT online	www.ihon.com

## Milosevic Outflanks U.S. In Battle Over Sanctions

By Steven Erlanger  
New York Times Service

WASHINGTON — President Slobodan Milosevic of Yugoslavia may have made just enough concessions over the conflict in Kosovo Province to confound Secretary of State Madeleine Albright's efforts to intensify Western sanctions against him, American and European officials said Sunday.

Mrs. Albright left for Europe on Monday to try to increase the pressure on Mr. Milosevic to open a serious discussion about political autonomy with the ethnic Albanians who make up 90 percent of the population of the province, which is in southern Serbia.

It will be a difficult test for American diplomacy. The German foreign minister, Klaus Kinkel, said Thursday, after meeting in Belgrade with Mr. Milosevic and with the French foreign minister, Hubert Vedrine, that "the demands we made have, generally speaking, been met." Mr. Vedrine said that "significant progress has been achieved."

The Americans disagree, saying there has been only modest progress that can best be sustained through further pressure, like seizing Serbian and Yugoslav government assets abroad and placing restrictions on foreign travel by Yugoslav officials.

Mrs. Albright and other officials have

also implied that the United States may be prepared to use force to get Mr. Milosevic to recognize the "legitimate political rights" of the ethnic Albanians in Kosovo and to prevent a new ethnic conflict. The threat, while kept vague and presumably meant to reinforce American diplomacy, has no support even among NATO allies who were willing to bomb the Bosnian Serbs into negotiating the peace accords of 1995 that ended nearly four years of war in Bosnia-Herzegovina.

Mrs. Albright will meet in Bonn on Wednesday with ministers of the five other members of the Contact Group, which monitors events in Yugoslavia and the nations that broke away from it, to discuss further sanctions raised at the group's earlier meeting on Kosovo in London on March 9.

That meeting — of Britain, France, Germany, Italy, Russia and the United States — followed a vicious crackdown on ethnic Albanians after separatists began attacking Serbian police officers. At least 80 people died, many of whom were quickly buried in a mass grave.

At the time, Mrs. Albright said, "We are not going to stand by and watch the Serb authorities do in Kosovo what they can no longer get away with doing in Bosnia." She compared Serbian actions

See ALBRIGHT, Page 7





## *An Iron-Fisted, Petulant Quest for the Ideal*

For months now, bricks have been raining down on streets, sidewalks and, horribly, the heads of passers-by. A schoolgirl was killed. Madison Avenue was closed for a time in December when the roof of an office tower gave way. A segment of Fifth Avenue sank when a water main burst in January. It could be a tougher problem to solve.

# We'll Decide on Security, Netanyahu Warns U.S.

In return, the Palestinians would be required, among other things, to disband any opposition groups espousing violence against Israel and to enforce a

Mr. Annan is to travel to Israel on Tuesday and meet with Mr. Netanyahu.

## ***Iraq Brands Clinton And Bush 'Criminals'***

The official paper Babel, meanwhile, called for U.S. and British troops to be withdrawn from the Gulf "to restore peace and stability in the region."

## Marie-Louise von Franz, Jungian Theorist, Dies

For those who doubted, Dr. von Franz conducted a worldwide study of fairy tales and turned out a stream of rigorously researched and influential books on this subject. Among them were "An Introduction to the Psychology of Fairy Tales," "Archetypal Patterns in Fairy Tales," "Creation Myths," "Shadow

After his death she extended his work, turning out a torrent of books, including her fairy tale series and a 1980

Mr. Howard spent nearly 50 years in journalism before retiring in 1976 as president and general manager of the Cincinnati-based company. He was the son of Roy Howard, who built United Press into a worldwide wire service.

in the world to incorporate such identity chips. The new

Tele: 421550  
Fax: [41-22] 318 33 00

3/31	4/10	pc	4/30	5/04	s
0446	2/35	pc	11/02	7/44	s
2/35	-0/20	an	4/30	1/24	c
7/44	0/32	pc	0/48	5/41	c

**North America**

Mailing Address: \_\_\_\_\_  
 City/Code: \_\_\_\_\_

Fax: +852 2922 1199. Tel: +852 2922 1171  
E-mail: [subsidit@com](mailto:subsidit@com) - Asia: [subsidit@hk.com](mailto:subsidit@hk.com) - Internet: [www.cdit.com](http://www.cdit.com)



## THE AMERICAS

Supreme Court  
Backs Ruling  
Against Ohio  
Abortion Ban

Compiled by Our Staff From Dispatches

WASHINGTON — A divided Supreme Court handed advocates of abortion rights a victory Monday by leaving intact a precedent-setting ruling that struck down a state law banning a type of late-term abortion.

The justices, by a 6-to-3 vote, let stand rulings that called the 1995 Ohio law unconstitutional and blocked its enforcement.

In another important decision, the court let stand a California term-limit law that barred state lawmakers who reached the limit in length of service from ever running for the same office again.

Although the court action on abortion is not a ruling and sets no national precedent, it seemed certain to be hailed by abortion-rights advocates.

The significance of their victory appears limited, however, because Ohio's law differed from federal legislation that served as a model for 18 other state laws.

The 6th U.S. Circuit Court of Appeals was split 2-1 in November in its ruling that the law would unduly interfere with a woman's right to abortion.

The law banned "the termination of a human pregnancy by purposely inserting a suction device into the skull of a fetus to remove the brain."

The appeals court said the law's wording would ban a more common procedure used earlier in pregnancies and that the federal legislation, by contrast, did not seem to interfere with certain other methods of abortion.

The federal legislation, like the state laws modeled on it, bans abortions "in which the person performing the abortion partially vaginally delivers a living fetus before killing the fetus and completing the delivery." Opponents call the procedure "partial-birth" abortion.

The 6th Circuit Court expressed no opinion on "the constitutionality of this definition or the federal legislation."

The high court's ruling Monday was accompanied by a dissenting opinion from Justice Clarence Thomas, joined by Chief Justice William Rehnquist and Justice Antonia Scalia. Writing for the three, Justice Thomas said the court should have granted full review to the Ohio dispute.

Failure to do so, he wrote, "may cast unnecessary doubt on the validity of other state statutes."

The appeals court also struck down two other provisions of the Ohio law, both aimed at restricting abortions after a fetus presumably is viable or able to survive outside the uterus.

In its ruling on California's term-limit and admit law, the court without comment turned away arguments by state legislators, marshallers and voters who said the measure violated California residents' right to "to support their chosen candidates. The court also argued that voters who approved the measure did not realize they were opting for a lifetime ban.

The court made these other rulings:

- It rejected a former Federal Express pilot's challenge of a federal requirement that commercial pilots retire at age 60.
- It turned down a Tennessee State University professor's challenge to the university's policy of silence at graduation ceremonies.
- It rejected a Florida woman's appeal that state laws against prostitution violated what she said was a constitutionally protected right to have sex for pay.
- It refused to free prescription drug manufacturers and wholesalers from a price-fixing lawsuit brought by thousands of pharmacies. (AP, Reuters)



Anita Hill seeking on television to differentiate her harassment charges against Clarence Thomas and the allegations against President Clinton.

## Lewinsky's Father Rips Into Starr

He Accuses Special Prosecutor of 'Trying to Torture' His Daughter

By Brian Knowlton  
International Herald Tribune

WASHINGTON — Monica Lewinsky's father vented anger and frustration Monday over the way that the investigation of his daughter's relationship to President Bill Clinton has dominated and disrupted the lives of his family and her friends.

The independent counsel, Kenneth Starr, "is just trying to torture her in every possible way," Dr. Bernard Lewinsky said. He described his daughter as a "paw" in a larger political contest between Mr. Clinton and his detractors.

"She cannot see her friends, she cannot talk to her friends, she cannot talk to her brother," Dr. Lewinsky told The Associated Press. One of her friends, he complained, was forced to fly to Washington from Tokyo merely to corroborate hearsay evidence before a grand jury; two others were brought from Los Angeles.

He said his daughter was "very depressed," adding, "She's a virtual prisoner in her apartment."

Dr. Lewinsky had had little to say publicly since allegations erupted Jan. 21 that his daughter had had an affair with Mr. Clinton and had been asked to lie about it. The president has denied the allegations.

Dr. Lewinsky's charges Monday, in the interview with the AP and another with NBC-TV, appeared designed to put a human face on the impact of the investigation by Mr. Starr.

The independent counsel's detractors

have said that he has overstepped the bounds of his investigation, disrupted the lives of witnesses on the fringes of the case, subpoenaed witnesses because they criticized his tactics and sought to coerce Ms. Lewinsky to testify by pressuring her friends and family.

Many Americans appear to agree with that critical view: Two nationwide opinion surveys last month showed that only 11 percent of people questioned had a favorable opinion of Mr. Starr.

Dr. Lewinsky, referring to the subpoenas to his daughter's friends, said: "A lot of people are being inconvenienced not only by virtue of having to travel to Washington but also because they are being put at financial risk. These are all young people, and they all have to hire attorneys that cost money."

"I think this is just the drip torture technique that Ken Starr is using on her," said Dr. Lewinsky, a Los Angeles cancer specialist. "He is just trying to torture her in every possible way."

He said her legal bills were nearing \$500,000, although her attorney, William Ginsburg, recently put them between \$100,000 and \$200,000.

Because of fears of involving her family in expensive legal complications, he said, "She has not been able to see her brother for two months, has not been able to talk to him."

Dr. Lewinsky said little publicly about the case until late last month, when he expressed outrage over Mr. Starr's treatment of his daughter and ex-wife, Marcia Lewis. A nurse was called for

Ms. Lewis when she became distraught during prosecutors' questioning.

Dr. Lewinsky also said he feared that the decision by Mr. Clinton to invoke the doctrine of executive privilege to block testimony of senior White House advisers would ultimately prolong his daughter's pain.

Two advocates of women's rights, meanwhile, spoke out on the allegations that the president groped Kathleen Willey, a female volunteer in the White House.

Anita Hill, the woman whose complaints against a Supreme Court nominee, Clarence Thomas, put the concept of sexual harassment squarely on the American public stage, said Sunday that administration policies on women's issues might be more important than the allegations against Mr. Clinton.

A prominent feminist leader, Gloria Steinem, joined Ms. Hill in saying that Mr. Clinton's alleged contacts with Mrs. Willey were objectionable but did not constitute harassment.

Ms. Hill, a law professor whose complaints against Mr. Thomas in 1991 nearly scuttled his nomination, said that her case was "very different" from the allegations against the president.

Mr. Clinton, she said, was an elected official twice chosen as president by a nation aware of past allegations of sexual misconduct; Mr. Thomas was being nominated to a lifetime position with the nation's top court where he would be dealing directly with cases involving harassment charges.

## POLITICAL NOTES

## Power Grabs in the House

WASHINGTON — Bob Livingston's efforts to gather enough votes to succeed the House speaker, Newt Gingrich, may have struck some colleagues as premature and unseemly, but the power grab by the Appropriations Committee chairman is only the first of many coming duels involving the titans of the House.

Mr. Livingston is one of 14 chairmen of standing committees who must step down in 2000 because of a Republican caucus rule established in 1994 limiting committee and subcommittee chairmen to three terms — six years — in office.

Time is getting short. The Louisianan acknowledged that the six-year limit "had something to do" with the series of decisions that put him on the brink of retirement early this year, caused him to pull back at Mr. Gingrich's request and turned him

into a declared candidate for speaker if, as he suspects, the Georgia Republican decides to resign in 1999 and run for president. (Mr. Gingrich has said he plans to serve into 2003.)

Congress never had term limits for committee chairmen in the past and relied on parliamentary measures — voting them out — to get rid of them when necessary, never an easy task. But with term limits in effect, things are different and will get much more different in the future.

## Aides Split on Syringe Plan

WASHINGTON — The debate over the propriety of handing out sterile syringes to people who inject illegal drugs, to reduce the spread of AIDS, has reached the White House, where President Bill Clinton's two main policy advisers on the issue have staked out opposing positions.

Their disagreement makes government financing of needle-exchange programs more unlikely when a ban on such spending, imposed by Congress in 1992, expires at the end of the month.

Sandra Thurman, the White House director of national AIDS policy, advocates spending on the programs as a way of saving lives by reducing the incidence of AIDS contracted from shared needles. But at a spirited meeting last week, Barry McCaffrey, a retired army general who is the administration's director of national drug policy, ferociously opposed any government subsidy.

In a subsequent letter to Ms. Thurman, he reiterated his belief that buying clean needles for drug users would send the wrong message to young Americans who are being told that illegal drug use is wrong. The money, he said, would be better used to expand drug treatment programs.

His letter was leaked to some members of Congress. An opponent of needle exchanges

provided a copy to The New York Times.

General McCaffrey's fervent opposition to paying for needle exchanges, and the esteem with which he is regarded on Capitol Hill, will probably undercut whatever support exists for exchange programs. Many members of Congress already oppose the concept or do not want to look as if they are soft on drug use in a congressional election year. (NYT)

## Quote/Unquote

State Representative Chuck Graham of Columbia, Missouri, arguing that the medical problem of finding enough organ donors could be eased if death-row prisoners were permitted to donate bone marrow or a kidney in return for having their sentences commuted to life in prison without parole: "Call it life for a life. We don't have enough heroes to meet the need." (NYT)

## Behind the Cheers for Welfare Reform, Some Rough Figures

By Barbara Vobejda  
and Judith Havemann  
Washington Post Service

WASHINGTON — Governors across the country are boasting that welfare reform is successfully moving millions of people off the rolls and into jobs.

But a close scrutiny of state and federal records shows that tens of thousands of families are being forced off welfare as punishment for not complying with tough new rules.

Federal statistics show that in one three-month period last year, 38 percent of the recipients who left welfare did so because of state sanctions, ordered for infractions from missing appointments with caseworkers to refusing to search for work.

These and other sanction numbers gathered by The Washington Post from welfare offices nationwide are among the earliest statistics available on how the states are carrying out the 1996 federal

welfare law, which triggered a dramatic revision of public assistance programs.

In some states, sanctions have become a significant part of declining caseloads. More than half of the 14,248 cases closed in Indiana in a three-month period last year, for example, were a result of people finding work but of sanctions, the federal records show. In Florida, state officials report that 27 percent of the 148,000 cases they closed in the second half of 1997 were because of sanctions.

In the first year of Tennessee's new program, 40 percent of the families leaving welfare — nearly 14,000 — lost benefits because they did not comply with regulations, compared with 29 percent who left for a job, according to a University of Memphis study.

Nationally, caseloads have fallen by 18 percent in the past year, attributable both to a healthy economy and welfare reform efforts. But the sanction statistics provide a fuller picture of what has generally been cast as the success of

welfare overhaul: Not all of those leaving the rolls are converts to the work ethic; a sizable number either are refusing to cooperate or are so hampered by serious problems that they are unable to comply with the requirements.

State officials contend that the high rate of sanctioning is evidence that the new law is working as intended, snuffing out people who already had jobs but were not reporting them, or in other cases impressing upon recipients that they can no longer receive aid indefinitely without preparing themselves for work.

But advocates for the poor warn that many states are imposing severe measures that end people's benefits with no assurances that their children will be fed or their houses heated.

Valerie Watson, a Memphis mother who says she has recurring back problems, was cut off welfare last fall for missing training classes and showing up late for an appointment with her case-

worker. She gradually sold her belongings as she grew more desperate for money. "We went through the whole winter with no utilities," she said. "This is a story you wouldn't believe because it has been so rough."

Ms. Watson is part of the hidden story behind the tale of welfare success being told by state officials around the country. Until the passage of welfare reform legislation, states were hampered from cutting off families for failure to work. Now, 30 state legislatures have given caseworkers the authority to eliminate welfare grants when families fail to cooperate with several new rules, including requirements that recipients search for jobs, volunteer or attend job preparation classes.

"Sanctions are the spur for people to make the move from welfare to work," said the welfare commissioner of New Jersey, William Waldman. "To have a program that wasn't serious, that didn't have consequences or sanctions for not

taking a step up in life, was very bad public policy that served to trap people on the rolls. I don't minimize the impact of sanctions, but the alternative is worse."

During the national debate over welfare reform two years ago, many assumed that the moment of truth would come years from now, when recipients reached time limits that would end their benefits. But the widespread use of sanctions has moved up that moment.

Energized by their welfare reform programs, states are moving swiftly to put their new sanction power to use. But social service advocates argue that in many cases, states are making bad judgments.

Bill Biggs, a former welfare administrator from Utah, wrote in a recent publication that under a pilot program in his state, half of the sanctions ordered were done in error, often when a caseworker did not detect that a recipient suffered from mental illness or some other problem.



OUT LIKE A LION — British tourists videotaping the spring snow in Times Square. After a virtually snowless winter, a blinding storm dropped 5 inches of snow on New York City over the weekend.

## Away From Politics

• A 22-year-old college student on spring break died after plunging from a third-story hotel balcony in Daytona Beach, Florida, crashing through a Plexiglas roof and landing in a swimming pool. The police believe the fall was an accident; it happened just five minutes after the woman, from Kent State University in Ohio, had checked in. (AP)

• An oil fire apparently broke out aboard a small airplane shortly before it crashed near Grain Valley, Missouri, and killed all six people aboard, the National Transportation Safety Board said. Investigators found that oil had spilled on board and that a linking rod had broken in the engine. (AP)

• Six children, aged from 2 to 10, were killed and their

parents were burned in a house fire in Blanks, Louisiana, that may have been caused by a space heater. (AP)

• A Los Angeles Fire Department helicopter crashed as it carried an 11-year-old girl who was injured in a car wreck, killing two paramedics and a crew member on board. (AP)

• A man freed on bail after a knife attack in New York on one of his former girlfriends has been charged with murder in the throat-slashing death of another woman he had dated, a Columbia University law student. Friends reportedly had warned the student to stay away from the man because of his current girlfriend, who also was charged in the earlier attack. (AP)

## After Year, Florida Resumes Executions

The Associated Press  
STARKE, Florida — A former short-order cook who confessed to 41 murders was executed Monday in Florida's electric chair, the state's first execution since flames flared from a condemned man's mask a year ago.

In the first of four electrocutions scheduled over eight days, Gerald Stano, 46, was executed for killing a 17-year-old hitchhiker in December 1973.

Mr. Stano made no final statement and stared straight ahead as he was strapped in, mustering only a small smile toward his attorney.

There was no visible smoke or flame. Mr. Stano confessed that he choked the hitchhiker repeatedly and dumped her body in a drainage ditch before cleaning up and going roller skating. He later confessed to 41 murders in Florida and other states. Most of his victims were prostitutes, runaways and teenagers.

Mr. Stano was the first inmate electrocuted since March 25, 1997, when flames shot from behind Pedro Medina's face mask, prompting a series of unsuccessful appeals on whether the Florida's 75-year-old electric chair was cruel and unusual punishment.

An autopsy found that Mr. Medina had died instantly when the electricity was turned on.

Leo Jones of Jacksonville, who was convicted of murdering a policeman, was scheduled to die Tuesday, fol-

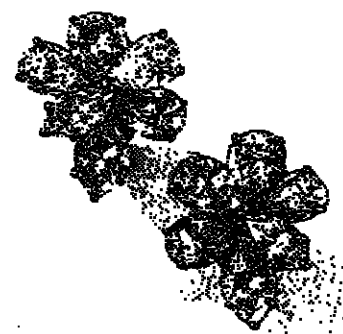
lowed on March 30 by Judy Buenoano, the convict known as the Black Widow for the arsenic poisoning death of her husband and drowning of her son. On March 31, Daniel Remeta is to be executed for the slaying of a store clerk during a multistate killing spree.

Mr. Stano may well have been responsible for more deaths than were some far better-known serial killers. The authorities said they believed his confessions to be true, because he provided key details

on where most of the bodies were dumped and what some of the victims were wearing. John Wayne Gacy Jr., put to death in Illinois in 1994, was convicted of killing 33 young men and boys between 1972 and 1978.



HARRY WINSTON  
Rare Jewels of the World



BECAUSE THE REFLECTION MADE  
HER EYES DANCE IN THE LIGHT...

New York 212.245.2000 Beverly Hills 310.271.8554 Geneva 22.818.2000 Paris 1.47.20.03.09 Tokyo 3.3535.6441



## EUROPE

## In Belfast, the Power of Symbols

City's First Catholic Lord Mayor Finds a Home in Protestant Citadel

By Warren Hoge  
New York Times Service

BELFAST — There is no greater citadel of Protestant power here than the domed and columned Belfast City Hall, and as a Roman Catholic, Alban Maginness was wary of even going near it.

"It was an off-putting place, an alien place, this big government edifice," he said. "You didn't identify with it or the people in it, and you'd say, 'No, that's not for me, and keep going.'"

Today he enters it daily and marches purposefully up the grand marble staircase to take his seat in a high-backed leather and carved-oak chair beneath the portraits of Queen Victoria and King Edward VII. The chair is reserved for the city's lord mayor, and he is the first Catholic ever to sit there.

Aware of the power of symbols in this conflicted society, Mr. Maginness made it a point on taking office nine months ago to make sure everyone else felt free to move about the intimidating spaces beneath the arched pilasters and the ceilings decorated in heroic art.

"There were people in their 70s and 80s," he said. "They'd spent their entire lives in the city and they said, 'You know, I've never been in here before.'"

Courteous to the point of formality, Mr. Maginness goes about his day's business wearing a dark suit and a 125-year-old metal chain of honor, which he argues is the richest emblem of all. "The people who had the medalion made saw Ireland as one — one under the crown, but one nonetheless," he said.

He pointed out that the intricate silverwork depicted the four provinces of the Irish island — Connacht, Leinster, Munster and Ulster — and included the

Gaelic phrase for "Ireland forever," *Eirinn go bragh*.

A 47-year-old lawyer, fluent speaker of Gaelic and a city councilman since 1985, Mr. Maginness became mayor after Protestant parties lost control of the 51-seat body last year for the first time.

Though he sought on election night to portray his victory as "not a defeat of one political tradition by another," Protestant legislators boycotted his installation dinner because he was dispensing with the customary toast to the queen. He objected, he said, to this "expression of one political state over another."

While the Protestant majority of Northern Ireland, called Unionists, wants to remain part of the United Kingdom, the Catholic minority, known as Nationalists, wants to end British rule and unite with the Catholic-dominated Irish Republic.

But in an effort to reach across community barriers, Mr. Maginness said he had met with evangelical Protestant groups, spoken to a Baptist Church assembly, received the leaders of the Salvation Army and laid a wreath at the war memorial on the annual commemoration of the 1916 Battle of the Somme, an event of reverence in the Protestant community because of the heavy losses suffered by the 36th Ulster Division.

Sammy Wilson, a Protestant who has been on the council for 17 years and served as mayor in 1986 and 1987, was not buying it.

"While they talk about equality, once they get into positions of influence, they rush to revoke the symbols of Unionism," he said.

A Catholic in the mayor's chair in Northern Ireland's largest city is seen by many Protestants as another sign of their deteriorating position in the province

they long ran uncontested. Though Catholics make up less than 45 percent of the population, their power surpasses their numbers. Spurred by the civil rights movement of recent decades, the growing Catholic middle class has become more involved in politics at the same moment that disenchanted Protestants are leaving public life.

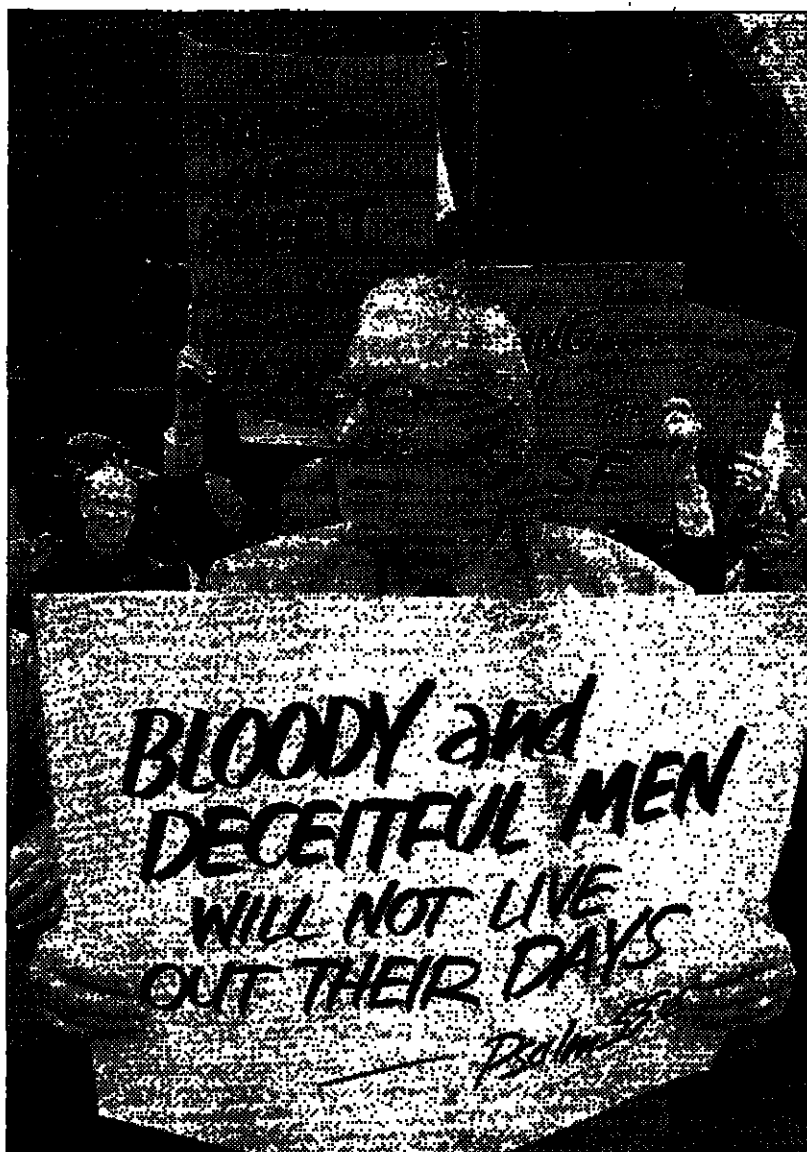
Mr. Maginness has been a negotiator in the peace talks that resumed here Monday under pressure from the two sponsors, the governments of Britain and Ireland, to produce a settlement by April 12 that can be put to a referendum vote in Northern Ireland and the Republic of Ireland by May 22.

The Protestant parties have been grudging participants in a process that they view with suspicion because it had its origins with the two Catholic parties, the moderate Social Democratic and Labor Party and Sinn Féin, the political wing of the outlawed Irish Republican Army.

"When you've got a government that increasingly wants to detach from you, it makes the Unionists feel unwanted and a bit paranoid," Mr. Wilson said. "You could say we have taken on a siege mentality."

As in the peace talks, there is no impulse in the city council for compromise. Mr. Wilson said that while he bore no "personal animosity" toward Mr. Maginness, a member of the Social Democratic and Labor Party, he could never imagine collaborating with him.

"He is in a very strong position to give the Nationalist position, and I would expect him to do that just as I did when I was mayor and gave the Unionist position," he said. "But I don't care how able he is, I can't vote for the Nationalist position."



The Reverend Ian Paisley, head of the Democratic Unionist Party, leading protesters Monday in Stormont, outside Belfast, where Sinn Féin was allowed to rejoin the Northern Ireland peace talks.

## BRIEFLY

## Turkey Will Stiffen Curbs on Militants

ANKARA — Bowing to pressure from the military, Prime Minister Mesut Yilmaz said Monday that his cabinet had prepared several draft laws aimed at curbing Islamic radicalism, including one on attire, the issue that fueled the latest tensions.

If passed, the laws would stiffen the punishment for those who violate the secular dress code, participate in anti-secular meetings or marches or belong to outlawed Islamic sects.

The military, which has carried out coups when it felt the secular system was threatened, warned Mr. Yilmaz last week to step up measures against radical Islam. (AP)

## U.S. Vote on NATO Is Put Back to April

WASHINGTON — A Senate vote on expanding NATO to include Hungary, Poland and the Czech Republic is unlikely to take place before the end of April, the Senate majority leader, Trent Lott, said Monday.

The vote, initially expected this week, has been held up by partisan bickering over unrelated issues, including education, said Mr. Lott, Republican of Mississippi. On Sunday, Mr. Lott said President Bill Clinton's trip to Africa is the reason for the delay.

He said many Republican senators wanted further debate on the subject, although the Republican leadership has said a vote in favor of expansion was in no doubt. (AP)

## Head Rabbis Meet Priest in Jerusalem

JERUSALEM — The leaders of the Jewish and Roman Catholic faiths in the Holy Land met for the first time Monday.

Israel's two chief rabbis and the Latin patriarch of Jerusalem disagreed on several issues, such as the Holocaust and access to Jerusalem holy sites, but said the meeting was a positive step. "For a first meeting, we came a long way," said Israel's chief Ashkenazi rabbi, Meir Lau.

The talks were initiated by the Latin patriarch, Michel Sabbah, a Palestinian. Rabbi Lau and his Sephardi colleague, Elyahu Bakshi-Doron, said they were disappointed that Father Sabbah had not taken issue with the Vatican report last week on the Holocaust, which they said fell short of expectations. (AP)



Energy Minister Sergei Kiriyenko, in office only five months, was named acting prime minister.



Prime Minister Chernomyrdin may be eyeing a presidential bid.

## RUSSIA: In a Surprise Move, Yeltsin Dismisses His Prime Minister and Entire Cabinet

Continued from Page 1

approval within two weeks. Mr. Yeltsin, looking haggard during a taped speech, said: "The resignation of the government does not mean any change of our policy course. It means our desire to impart more energy and efficiency to economic reform."

He added: "I believe that recently the government has been lacking in dynamism and initiative, fresh approaches and ideas. The country needs a new team that would be capable of achieving real and tangible results."

The suddenness of the dismissals was typical of Mr. Yeltsin, who seems to go out of his way to produce surprises. Even Russians used to his style were taken aback. After reading the list of dismissals Monday, a radio newscaster paused and then told listeners, "This is no joke."

Mr. Yeltsin told Mr. Chernomyrdin of his dismissal Saturday, invited him to the

Kremlin for a meeting Monday and gave him an award for "services to the fatherland." He fired Mr. Chubais and Mr. Kulikov by telephone. A spokesman, Sergei Yastrzhembsky, said the moves had been planned for a long time, but he did not explain why there were no immediate replacements.

Mr. Chernomyrdin was regarded as a stable presence in a government where other ministers frequently came and went at Mr. Yeltsin's whim. He had been in office for five years. Mr. Yeltsin relied on him to deal with a hostile legislature, and he handled bilateral trade, technology and arms-control talks on a regular basis with Vice President Al Gore. The president recently put major portfolios under Mr. Chernomyrdin's control, including the responsibility for overall economic policy.

Even though he ranks low in opinion polls, Russian commentators have long focused on Mr. Chernomyrdin as a likely successor to Mr. Yeltsin. One newspaper

called him a regent for an ill monarch. Such talk may have been his downfall, some Russians say, because Mr. Yeltsin resents sharing the spotlight.

Mr. Chernomyrdin left quietly. At a news conference, he parroted Mr. Yeltsin's pledge that government policies would remain largely unchanged. He was coy about whether he might prepare for the next presidential poll by naming himself a candidate. "We still have time to make a choice," he said.

Mr. Chubais's ouster had been rumored for months, and he said he asked Mr. Yeltsin in early February for permission to leave. He was recently offered a top job at Russia's Unified Energy System, an electricity giant, and he hinted Monday that he would take it.

Mr. Chubais was a lightning rod for complaints about the economy. He oversaw Russia's privatization program but was blamed for the poverty of millions of Russians. He also clashed with some ma-

nor bankers, particularly Boris Berezovsky, over his efforts to reduce their influence in government and his decision to sell state resources at market prices.

In a valedictory to reporters, Mr. Chubais took pride in the changes in the Russian economy. "What was achieved cannot be destroyed," he said.

Mr. Kulikov was in charge of Russian internal security. He is the last of the so-called war party that launched the disastrous battle with the breakaway region of Chechnya. His ouster confused observers; some said it was to balance the firing of the liberal Mr. Chubais.

Mr. Kiriyenko was appointed energy minister in November, an important post in a country that relies heavily on fuel exports for foreign exchange. Although many regard him as poorly equipped to succeed Mr. Chernomyrdin because his Moscow political ties are limited, some say his management skills are a more important consideration.

## YELTSIN: A New Struggle Opens for Control of the Kremlin

Continued from Page 1

stand the fact that the levers of power were drifting from his hands. He wanted to kill his official heir, and change the balance of forces with one stroke.

Many analysts said Mr. Yeltsin's decision was strongly influenced by Mr. Berezovsky, one of the most outspoken of Russia's powerful business magnates and perhaps the most well-connected to the Kremlin.

An automobile, oil, airline and media baron who helped bankroll Mr. Yeltsin's 1996 re-election, Mr. Berezovsky was injured recently in a snowmobiling accident and had been hospitalized in Geneva.

Mr. Berezovsky was once deputy head of the Kremlin security council, and remains close to Mr. Yeltsin's daughter and political aide, Tatyana Dyachenko, and to Mr. Yeltsin's chief

of staff, Valentin Yumashev, as an official, unpaid adviser. Mr. Berezovsky rose from his hospital bed in Geneva and returned to Moscow for a long and sympathetic television interview Sunday evening, just hours before Mr. Yeltsin's announcement.

Mr. Berezovsky has waged a long campaign to push his view that the Kremlin must heed the nation's young and feisty capitalists. Critics call them a financial oligarchy that has already carved up some of the most valuable factories, refineries and part of Mr. Le Pen's followers by responding to their complaints about issues such as law and order.

"This is the most important political event of our generation," according to Hervé de Charette, the former foreign minister and an ally of Mr. Le Pen's, leader of the center-right, which suffered more defections than its Gaullist coalition partner.

It is urgent to confront the National Front, Mr. de Charette said, "on the heart of the debate: France's relations with the outside world, French people's attitudes toward foreigners, the place of France among other nations."

2000, he asserted, and he went on to rule out every other well-known contender. He said this vacuum was "the most serious and grave problem facing the authorities today."

Mr. Yeltsin's announcement was not a clear victory for any of the financial powers, if only because he provided no clues about what is to come. He has two weeks to name a new prime minister, who will be Russia's third since the break-up of the Soviet Union in 1991. The fate of many ministers, including the reformer Boris Nemtsov, a first deputy prime minister with Mr. Chubais, was unclear.

"Berezovsky is not the only one playing in the game," said a Western diplomat. "But it's hard to see the follow-on. It's a very short bench. No one has really thought it through."

Mr. Berezovsky was advocating the appointment of the former speaker of Parliament, Ivan Rybkin, as prime minister, officials said. Some reformers were pushing for the energy minister, Sergei Kiriyenko, a 35-year-old protégé of Mr. Nemtsov's. He was in fact named a deputy prime minister Monday and will replace Mr. Chernomyrdin temporarily. Other speculation centered on the economist Grigori Yavlinsky, leader of the Yabloko bloc in Parliament, a centrist who has never served in the executive branch.

Mr. Yeltsin's choice must be approved by Parliament, which is dominated by Communists and nationalists. If they refuse after three attempts, Mr. Yeltsin can dissolve the legislature, pick his prime minister and call new elections.

Mr. Yeltsin looked harsh and coolly distant in his television appearance. The 67-year-old president has insisted he is in good health. He underwent a quintuple coronary heart bypass operation in 1996, and he has been ill frequently since Dec. 10, prompting renewed speculation about the possibility he may not finish his term.

## FRANCE: Chirac Implores Citizens to Resist National Front

Continued from Page 1

maneuvers, coming at a time of acute national uncertainty amid fears of joblessness and a sense of social stagnation, that stirred talk about a crisis for the republic.

Mr. Chirac reminded the Socialists that their edge in a parliamentary majority was due to the conservatives' refusal to make deals with Mr. Le Pen in legislative elections last year.

In a commentary that summed up the left's mood, the newspaper *Le Monde*, never sympathetic to Mr. Chirac, said that the right had suffered an earthquake over the last year. Mr. Chirac called early parliamentary elections last year, which the conservatives lost, and now the right was so deeply split that it might have to form new parties accommodating Mr. Le Pen's more moderate followers.

Most conservative leaders predicted dire consequences from the actions of a handful of politicians who made deals with Mr. Le Pen. A leading Gaullist, Nicolas Sarkozy, said that "a large part of our electorate was dismayed by the electoral pacts" and therefore defected from the conservative ranks in the local voting Sunday that turned into a pro-Socialist landslide.

Mr. Sarkozy, trusting polls that show two-thirds of center-right voters opposed to Mr. Le Pen, said deals with the National Front would destroy the legitimate right.

National Front candidates exploited parliamentary tricks, colluding to stay on the ballot in a runoff race while secretly ordering their followers to vote for the mainstream conservative — and thus land him with an unexpected and uneasy victory.

In the overwrought atmosphere of

balloting in regional halls in the last few days, strong emotions produced shouted insults of "fascist" and worse, sometimes followed by rotten eggs. Many regional councilors were so unnerved that some elections had to be postponed.

In one such case, the victor resigned immediately, leaving his seat to a Socialist in Aquitaine. In Provence, François Leotard, the leader of the Union for French Democracy, one of the two parties in the center-right coalition, refused any compromise with the National Front throughout the ballots until it was possible for a Socialist, Michel Vauzelle, a former minister in François Mitterrand's governments, to win by a plurality.

Mr. Leotard's gesture, wildly acclaimed in an emotionally charged assembly hall, may have been too little to save his political career, which has

been dogged by scandal for months. In Provence, Mr. Le Pen's party reached an all-time peak of nearly 40 percent.

There is little evidence that the center-right parties have investigated the chances of drawing away a sizable part of Mr. Le Pen's followers by responding to their complaints about issues such as law and order.

"This is the most important political event of our generation," according to Hervé de Charette, the former foreign minister and an ally of Mr. Leotard's, leader of the center-right, which suffered more defections than its Gaullist coalition partner.

It is urgent to confront the National Front, Mr. de Charette said, "on the heart of the debate: France's relations with the outside world, French people's attitudes toward foreigners, the place of France among other nations."

## DEAL: Bertelsmann Buys Random House to Take Lead in U.S.

Continued from Page 1

The stable of publications operated by Advance Publications, which is privately owned, includes *The New Yorker*, *GQ* and *Vanity Fair*.

Although Bertelsmann has begun to expand into new electronic media such as on-line publishing and television, the Random House acquisition shows that the German giant will remain loyal to its classic book publishing roots that began 163 years ago when Carl Bertelsmann began printing Protestant hymnals, said Mark Woessner, chairman of Bertelsmann.

In one of the publishing industry's most unlikely success stories, Bertelsmann, which is privately held, has

kept its headquarters in its founder's sleepy town of Gütersloh, surrounded by sheep pastures, where today it competes in the world of ideas with Manhattan's best-known addresses.

Despite a succession of big acquisitions that began in the 1980s — including the Arista Records and RCA music labels, which helped triple its sales over the past decade — one third of Bertelsmann's 22.4 billion Deutsche marks (\$12.22 billion) in sales stems from book publishing. The company estimated in 1994 that it sold 1 million books each day.

"Book publishing is still a growth industry in the U.S. and worldwide," said a company spokesman, Helmut Runder. Book sales in the United

States rose 4 percent in 1996 and 2.4 percent last year.

Braced for criticism that its concentration of publishing houses might limit the democracy in the world of ideas, Bertelsmann emphasized that "the various publishing divisions and imprints will retain full editorial independence and publishing autonomy."

"We often hear such criticism," Mr. Runder said. "We know of the problems that could develop if we had another way of running a company of this size." The company's statutes, which are a binding part of staff employment contracts, state that its publishing work should promote people's ability to form opinions freely.

**1997**

**NET SALES**  
\$4.8 billion

**INCOME FROM OPERATIONS**  
\$832 million

**NET INCOME FROM CURRENT OPERATIONS**  
\$486 million

**NET INCOME**  
\$4,528 million

**PROPOSED DIVIDEND PER SHARE**  
\$22.30

**Sustained Growth in 1997 Results despite Asian Crisis**

**1997 FINANCIAL SUMMARY**

**Operating Results:**

- Operating income increased 10% to \$832 million.
- Operating profit increased 10% to \$832 million.
- Operating margin increased 10% to 17%.

**Financial Ratios:**

- Current ratio increased 10% to 1.5x.
- Debt to capitalization ratio decreased 10% to 40%.
- Return on assets increased 10% to 10%.
- Return on equity increased 10% to 10%.

**Key Statistics:**

- Operating income per share increased 10% to \$1.66.
- Operating profit per share increased 10% to \$1.66.
- Operating margin per share increased 10% to 17%.

**Notes:**

- All figures are in millions of dollars, unless otherwise indicated.
- Operating income and operating profit are calculated based on the cost of goods sold.
- Operating margin is calculated as operating profit divided by operating income.
- Current ratio is calculated as current assets divided by current liabilities.
- Debt to capitalization ratio is calculated as total debt divided by total capitalization.
- Return on assets is calculated as net income divided by total assets.
- Return on equity is calculated as net income divided by total equity.











## INTERNATIONAL

## For Companies in Africa, the Risks Are Great, but the Potential Is Enormous

By Martha M. Hamilton  
and Lynne Duke  
Washington Post Service

WASHINGTON — Investing in a continent as vast as Africa sometimes seems like a giant leap for a giant. In 1990, Rubi Hassan operated a hand cart, selling candy and an occasional Coca-Cola, chilled on a block of ice, for a school in Nairobi.

"I started with no money at all," said Hassan, who now earns enough to support her husband and put all her children through high school, buy a second-hand car and invest in a second business.

Coca-Cola, seeking to increase sales, and provided Mrs. Hassan with the tools. As business improved, the company added a kiosk, a double-door electric cooler, tables and umbrellas, a television and a picket fence. The tiny business has grown into Rubi's, a corner store and sidewalk cafe that Mrs. Hassan said served 300 customers and, not incidentally, sold as many as 20 crates of Coca-Cola products a day.

Mrs. Hassan's story is just one sign of the growing American corporate interest in the continent that has been described alternately as the poor black neighborhood in the global village, the final frontier and the last emerging market.

President Bill Clinton, who arrived Monday in Ghana to begin the most extensive tour of Africa ever by an American president, plans to use the 12-day trip to encourage Africa's slow emergence in the global economy. Africa's potential as both a trading partner and an investment opportunity is largely untapped, White House officials say, and in recent months Mr. Clinton's administration has created an Africa trade office and backed a trade initiative, recently passed by the House of Representatives, to reduce duties on African imports.

Sub-Saharan Africa has become alluring to corporations that see a vast market of about 600 million people, peace and stability in a growing number of countries, an end to apartheid in South Africa, and annual growth that has averaged 4 percent annually over the past three years. With half of the population

younger than 20, forging brand identity now can pay dividends well into the future, executives said.

But despite its advances, Africa still suffers from the stigma of decades of strife, erratic leadership and grinding poverty, an image that Mr. Clinton has said he hopes to change.

Investing in Africa is fraught with challenges and setbacks. America Mineral Fields, based in Mr. Clinton's hometown of Hope, Arkansas, for example, cut a much-heralded \$1 billion copper and cobalt deal with Laurent Kabila's rebel movement before it won power in a military coup in Congo but then was unceremoniously dropped by Mr. Kabila's government late last year.

Still, the payoff can be enormous. The Commerce Department said U.S. investment in sub-Saharan Africa generated a return of 31 percent in 1996, compared with 12 percent in Latin America, 13 percent in the Asia-Pacific region and 17 percent in the Middle East.

South Africa, which Coca-Cola has used as a base and testing ground for its Africa expansion strategy, now is the company's 10th-largest market. If econ-

omies improve in other countries, the potential for growth is almost unlimited. In Ethiopia, with 55 million potential customers, annual consumption of Coca-Cola products is just three products per person, compared with 370 in the United States and 155 in South Africa. In Kenya, where the company helped Mrs. Hassan, it is 29 a year.

"The story in Africa is getting in early," said Jaideep Khanna, manager of Morgan Stanley & Co.'s \$250 million African Investment Fund. But it also requires getting in carefully, he said. "Our fund will try to avoid the more volatile markets." The fund's largest investments are in South Africa, Egypt, Zimbabwe, Mauritius and Ghana.

Population, privatization and natural resources are Africa's greatest assets in terms of increasing trade and investment.

Many countries in Africa are privatizing poorly run government concerns. U.S. exports of telecommunications equipment to Africa have increased by more than 60 percent, said Commerce Secretary William Daley, adding that "these antiquated state-run telecommu-

nications networks" represent a huge opportunity.

The willingness to privatize reflects an important generational change. "The generation that led Africa into independence looked at capitalism as being part of the colonial problem," said David Miller, former ambassador to Zimbabwe and Tanzania and executive director of the Corporate Council on Africa. "The new generation is looking at capital markets as a tool it can use."

Over the past three years, U.S. trade with Africa has grown 32.1 percent, tracking the 32.4 percent expansion in total U.S. trade in the same period, the Commerce Department said. But to say the trade is growing is not to say it is large. In 1997, sales to sub-Saharan Africa accounted for less than 1 percent of total U.S. exports, and imports from the area were less than 2 percent of total U.S. imports.

In South Africa, the continent's most developed economy, with a stock market that lists 618 companies, U.S. investment is higher today than it was in the early 1980s before anti-apartheid sanctions were ordered by Congress.

According to the Washington-based Investor Responsibility Research Center, which monitors foreign business activity in southern Africa, more than 50 percent of the multinational companies entering South Africa over the past three years have been from the United States.

Before the disinvestment wave of the mid-1980s, U.S. companies held about \$3 billion in assets in South Africa. Today, with apartheid gone, the assets held by 296 U.S. companies total about \$9.5 billion and account for about 86,000 jobs in such industries as telecommunications, information technology, food and beverages, and motor manufacturing.

South Africa's relatively sophisticated banking and physical infrastructure, plus its status as a launching pad to the continent's less developed markets, is the key attraction for investors.

As South Africa attempts to change and stabilize policies governing trade, investment, labor and the economy, some investors are finding that markets elsewhere also are attractive.

Last week, for example, Barden Cos., a Detroit-based service business, opened a General Motors Corp. automotive distribution and retailing center in Windhoek, Namibia, along with a plant to convert imported vehicles from left-hand drive to right. Barden International, the affiliate running the Namibia investment, expects to do \$30 million of business in its first year.

The plant had its genesis in Namibia's aggressive strategy to attract investment. GM wanted to sell a fleet of vehicles to the government, but the government wanted more than just a one-time deal, said Don Barden, the company's chief executive. The solution was to import GM cars and trucks to Namibia for conversion and distribution. A first order of 823 vehicles already is in the country.

With its democratic government, commitment to a market economy and accommodating policies toward potential investors, "Namibia, to us, is what this Africa trade mission is all about," said Barden of Mr. Clinton's trip, which does not include Namibia.

"There are several Africas," said Salih Booker, senior fellow and director of the Council on Foreign Relations, who said the differences among regions are poorly understood. "If you have one traumatized country or one crisis that gets media attention, because of the general ignorance about Africa it creates the impression that the instability applies to all."

In southern Africa, which is just one region of sub-Saharan Africa, Mr. Booker said, "The whole region is at peace, the economic engine for the region, which is South Africa, is doing well, and you've got elected governments throughout the region."

West Africa, he said, has "a scattering of countries that are doing well," but the region is "a mixed picture" because of recent conflicts in Sierra Leone and Liberia and some of the actions of the military junta in Nigeria.

In East Africa, Uganda and Ethiopia have had strong economic growth in recent years, but there are worries in the region because of conflicts in Sudan and concern about the stability of Kenya, Mr. Booker said. In Central Africa, there are concerns about Congo's stability.

Even those who are bullish about Africa admit that there are serious barriers to more trade and investment in many parts of the continent. The barriers include the low skill level of the work force, poor education and health services, tax and other laws that discourage investment, poor transportation and sometimes unreliable water and power supplies, underdeveloped financial markets, and corruption.

In some countries, "even if you have the best bid and put together the best acquisition package, you're not going to get the deal because you didn't put down the black bag," said Walter Kansteiner 3d of the Scowcroft Group, an international investment advisory company.

On top of all the other barriers to growth and development in Africa, there is a tremendous overhang of debt — more than \$200 billion — keeping the continent from realizing its potential.

"Trade and investment are critical, but they are not enough in themselves," said Justin Forsyth, director of the Oxfam International Advocacy Office in Washington.

In a continent where one of every five children dies before the age of 5 and where only half go to primary school, governments transfer four times as much money in debt service to developed nations as they spend on health and education, he said.

"African debt is a huge drain on scarce resources," Mr. Forsyth said.

Uganda Awaits Clinton  
With Great Expectations  
For an Even Better FutureBy James C. McKinley Jr.  
New York Times Service

KAMPALA, Uganda — Charles Katongole, a taxi driver by trade, swung the pickax into the earth with a purpose as the main traffic circle outside this hot and humid capital. Sweat drenched his face and body.

The sidewalk he had volunteered to repair was still just a strip of chewed-up earth, and it had to be completed before President Bill Clinton's arrival Tuesday.

"If this work isn't finished, we will keep going through the night," he said, mopping his brow. "I'm very excited to see the president. I think he will bring us peace. What I want from him is to say something about this one-party system. This system of one party — I don't like it."

Ugandans, whose country a decade ago was a brutal dictatorship in economic collapse, are now preparing for Mr. Clinton's visit with pride and great expectations. Some, like Mr. Katongole, are hoping that Mr. Clinton will push their president, Yoweri Museveni, to abandon the ban on party politics that has been the hallmark of his government.

Others say they expect the presidential visit to attract American investors. It is a chance, they say, for Ugandans to show the world that their country has been transformed from an economic basket case into a great place for doing business.

Still others are hoping that Mr. Clinton will come bearing gifts: grants for schools, infrastructure and the like.

What is certain is that when Mr. Clinton's airplane touches down at Entebbe Airport at 1:30 Tuesday morning, he will find a country that is a far cry from the dirt-poor and oppressed nation expected to greet him by Milton Obote and Idi Amin in the 1970s and 1980s.

Mr. Museveni, a guerrilla leader who seized power in 1986, has won accolades for not only restoring security and the rule of law to most of the country, but also for liberalizing the economy, restricting the money supply, cutting the public payroll and raising taxes.

He has sold off government-owned enterprises, scrapped currency controls and established free markets for coffee and other commodities that power this economy, shoring up agricultural production and exports.

## CLINTON: A Huge Welcome in Ghana

Continued from Page 1

himself knows the former midwife. The conversation led to a special invitation for the midwife to the White House — an example, Mr. Rawlings said, of how the Clintons remember and look after ordinary folks.

"When you're talking about the character of a person," Mr. Rawlings told his home audience, "this is how some of us define character."

Official crowd estimates are notoriously unreliable, in the United States and even more so abroad. While the 500,000-plus estimate offered by Rawlings government would be Mr. Clinton's largest crowd ever, this number could well be inflated, since local journalists say the official capacity is only about half that. In any event, the place was filled to overflowing — a teeming, raucous, sweat-drenched mass of humanity.

It was a day of gaudy colors and sounds. Mr. Clinton and his wife were greeted at the airport by chanting dancers and tribal leaders who poured libations to the ancestors from green schnapps bottles on the tarmac in a traditional Ghanaian ceremony. African drummers pounded rhythmically to warm the crowd for Mr. Clinton's speech at Independence Square. And after he finished speaking, Mr. Rawlings presented him with a bright kente cloth, which Mr. Clinton donned to the cheers of the crowd.

In the crowd, many said they were hoping that Mr. Clinton's visit would be followed by a flush of new U.S. government aid or business investment.

There are no plans for the former, and the latter, if it comes, will take time, administration officials said.

But others said they were seeking nothing specific out of Mr. Clinton's visit, merely validation for their country. "I want to see him because he is a superstar, first of all, said Mohammed Sariki, a 32-year-old designer. "He's the most famous person in the world."

Even here — five time zones from Washington in a former British colony of 23 million people — there were some familiar reminders of Mr. Clinton's problems, most notably in a long and divisive introduction by the Ghanaian president, Jerry Rawlings.

Mr. Rawlings, the former military strongman who has since been democratically elected, recounted how the Clintons had told him when he visited Ghana that they had the assistance of a Ghanaian midwife when their daughter, Chelsea, was born. By coincidence it turned out that Mr. Rawlings

On paper, the result has been stunning. Diplomats and economists say Uganda has seen an average annual economic growth of 6.7 percent for the 12 years of Mr. Museveni's tenure.

But on the ground, Uganda, a fertile, rain-fed land the size of Oregon, remains one of the poorest countries on Earth, with an average per-capita income of \$260 a year. A guerrilla conflict in the north and west of the country has sapped the government's resources, forcing Mr. Museveni to spend a fifth of the \$1 billion annual budget just to keep the army supplied.

In the end, the country's growth has been phenomenal partly because the economy had sunk to such a low point in the mid-1980s. In addition, Mr. Museveni has been helped by aid from the United States and other major industrial countries that want to support his pro-market policies. The World Bank and the International Monetary Fund have provided loans and debt relief, and foreign aid now pays for about 46 percent of the national budget.

In 1996, Mr. Museveni won the first election to be held in 16 years by a landslide. His opponents were crippled by the ban on party activities.

He has steadily delayed a return to party politics, arguing that economic development must come first and that parties have done nothing in Uganda's history but foment chaos and sectarian violence. A referendum on party politics is planned for 2000.

But aside from some grumbling from business about taxes and from opposition leaders about the one-party system, Mr. Museveni remains immensely popular. Most Ugandans who remember the days of Mr. Amin and Mr. Obote, when thousands of people were routinely imprisoned or killed for political reasons, see him as a savior.

For the White House, Mr. Museveni's Uganda is the perfect place for Mr. Clinton to promote his vision of the new U.S. relationship with Africa, a partnership based on commerce rather than economic aid.

"This journey will be my opportunity and yours to help to introduce the people of the United States to a new Africa, an Africa whose political and economic accomplishments grow more impressive each month," Mr. Clinton said this month.



BRAWL — Supporters of Prime Minister Mian Nawaz Sharif fighting Monday with those of his rival Benazir Bhutto during Pakistan Day rites at the grave of Mohammed Ali Jinnah, the nation's first leader.

## Paying U.S. Dues: Chaos in Congress

## Partisan Battles on Outside Issues Clog Legislation to Fund UN and IMF

By Helen Dewar  
Washington Post Service

WASHINGTON — Getting Congress to pay the country's bills to the United Nations and the International Monetary Fund was never going to be a simple task. But the chore has now moved beyond complicated to chaotic, bordering on a parody of the legislative process.

As the House and Senate move toward action on supplemental spending bills that include funds for military operations and disaster relief as well as for the United Nations and IMF, there is hardly an issue that has escaped entanglement — from fiscal policy to abortion, campaign finance and even French politics.

"Right now it's a tangled mess," said Senator Christopher Dodd, Democrat of Connecticut.

With two weeks to go before spring recess, the main problem remains what it was four months ago when funding for the UN and the IMF got sidetracked the first time: House Republicans' insistence on including an unrelated anti-abortion restriction for international family planning aid and White House threats of a veto for any legislation that includes it.

But other difficulties have arisen, including arguments from the Democratic left and Republican right over IMF practices, resurgent conservative angst over the UN and a guns-versus-butter dispute over paying for military operations and disaster relief. These issues raise ideological and political concerns for both parties, creating obstacles for the bills.

The situation also underscores the difficulties that President Bill Clinton, distracted by other problems, and Republican leaders, whipsawed by divisions in their ranks, have had in trying to forge a consensus within a fractious and un-

disciplined Congress. On abortion especially, both sides are captives of constituencies they dare not defy, making consensus more difficult on anything involving that issue.

Supplemental spending bills, which Congress usually passes in the spring to cover costs that were not anticipated when it passed its regular appropriations measures in the autumn, have become magnets for trouble. Last year, Republicans tried to attach several extraneous and politically charged proposals to a bill devoted largely to Midwestern flood victims; the lawmakers had to back down after a damaging veto confrontation with Mr. Clinton.

This year the underlying issues are yet more difficult, with most of the money going for national security operations that tend to produce more political pain than gain during an election year — "not much of anything that anyone particularly wants to be for," as the Senate majority leader, Trent Lott, Republican of Mississippi, observed this year.

In addition to nearly \$1 billion in back dues owed to the UN, \$18 billion in new credits for the International Monetary Fund, and \$1.8 billion for military operations in Bosnia and the Gulf, the Senate plan — the only official draft so far — calls for only \$610 million for disaster relief and other domestic programs to sweeten the pot.

To minimize difficulties, Republican leaders divided the package in two, combining the military and disaster money into one bill and putting the IMF and UN money — along with the anti-abortion language — into a second bill. This was done in part to avoid any embarrassing delays for the military and disaster-relief funds, while holding the other money hostage to force Mr. Clinton to back down on abortion.

The bills are beginning to move through Congress, with the Senate taking up the military-disaster relief bill Monday and the House Appropriations Committee marking up both bills Tuesday. But nearly every facet of both bills has run into controversy, some of it serious.

The \$921 million request to pay UN dues appeared to be in the most trouble.

Legislation to authorize the payment bogged down in the House because Democrats opposed the anti-abortion rider that had been added at the insistence of Republicans. Republican leaders discovered this month, however, that many conservatives in their party opposed the UN funding — even with the anti-abortion language attached to it. Two votes on the bill were scheduled and then canceled in the past two weeks, and leaders intend to try again next week if they can round up enough votes.

The IMF money has other troubles. House and Senate committees have approved sharply different sets of conditions aimed at reforming IMF operations, and Treasury Secretary Robert Rubin has described the Senate proposal as unworkable. Negotiations are underway to resolve the dispute between the Senate and Mr. Rubin, but problems could remain in reconciling the House and Senate versions. Members of both parties are pushing their own ideological agendas; anything that satisfies conservatives turns off liberals, and vice versa.

Mr. Lott churned the waters further last week, suggesting to a ranchers' group that the IMF fire its managing director, Michel Camdessus. "He's a Socialist from France," Mr. Lott said, although Mr. Camdessus claims no party affiliation and was a career civil servant serving in conservative and Socialist governments in France before moving to the IMF.

## ALBRIGHT: Milosevic Outflanks U.S. Over Sanctions

Continued from Page 1

in Kosovo to the "ethnic cleansing" of the war in Bosnia, to which the West was slow to respond.

Mr. Milosevic was the Serbian leader before he became president of Yugoslavia, but he was considered a major supporter of Serbian aggression in Bosnia.

At the Contact Group meeting in London, Mrs. Albright and the British foreign secretary, Robin Cook, spent three hours persuading three other members to consider such actions as a comprehensive weapons embargo against Serbia at the United Nations, a halt to supplying equipment that could be used for internal repression or terrorism, a denial of visas to those responsible for the Kosovo crackdown and an end to export credits to Belgrade for trade and investment.

The Russians were willing to agree only to the first two measures. And Moscow, Serbia's prime supplier of weapons and the traditional ally of the Orthodox

Serbs, has now backed away from supporting a comprehensive arms ban.

To bolster support for further action, Mrs. Albright will travel to Rome to meet with Foreign Minister Lamberto Dini, whose country has been nearly as reluctant as Russia to crack down economically or diplomatically on Serbia.

But her efforts Friday to arrange a pre-Bonn meeting with Mr. Vedrine have not yet succeeded, because of scheduling problems, French officials say.

In London, the Contact Group demanded that in 10 days, Mr. Milosevic publicly agree to a number of steps: political negotiations with the Albanians, led by a moderate Albanian, Ibrahim Rugova, who has lost ground to more violent groups seeking independence; removal of the Serbian special police, who carried out the crackdown in the province, and full access to the area for aid and human rights organizations.

Mr. Milosevic has not made an offer of talks. The current pres-

ident of Serbia, Milan Milutinovic, did so, offering Kosovo "a great degree of self-rule," if the province remains part of Serbia.

American officials objected that the offer came only from the Serbian president — not, as demanded in London, from Mr. Milosevic — and that it came with conditions.

The Americans fear that even renewed autonomy for Kosovo within Serbia, a status Mr. Milosevic revoked in 1989, will not be enough to contain aspirations for independence that the recent violence has intensified. The American special envoy to the Balkans, Robert Gelbard, pressed the ethnic Albanians hard last week to line up behind Mr. Rugova.

The Americans are pressing for Kosovo to be given the status of a republic within Yugoslavia, like Montenegro. But Kosovo is Mr. Serbs' historic heartland and Mr. Milosevic cannot afford to lose it, since even his democratic opposition opposes its separation from Serbia.

Serbian Police in Kosovo  
Release 6 Jailed Americans

Reuters

PRISTINA, Yugoslavia — Six American aid workers were released by Serbian police Monday afternoon in the southern province of Kosovo, two days after being arrested, a U.S. source said.

"We were notified that the six Americans were released at 1:30 and taken to the Macedonian border where they were met by officials from the United States Embassy in Skopje," the source said.

"I do not know at this time whether they have left Macedonia or not."

The six were arrested and sentenced to 10 days in prison for failing to register with the police, as required under Yugoslav law.

They had come to the troubled province to monitor elections that were held Sunday.

U.S. officials said the Americans belonged to Peace Workers, a San Francisco-based nongovernmental organization.

The police and court action prompted outrage from Washington.

U.S. officials said the six Americans were traveling on tourist visas that gave them three days to register with the police upon arrival.

The Americans were either unaware of the registration requirement, forgot it or ignored it, the officials said.

Visitors who stay in hotels are registered automatically, but the six were all staying in private homes.



## EDITORIALS/OPINION

# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Indonesia in Trouble

### Suharto's Tight Rein

Indonesia's President Suharto now has been "re-elected," by his hand-picked 1,000-member assembly, to his seventh five-year term. One of his children speculated that this may be the president's last — that he will step down, that is, at the age of 81. But don't count on it. As usual, President Suharto is keeping a tight rein on all political activity and dissent, stifling the emergence of political parties, independent unions and other groups essential to a civil society. Daily protests by university students reflect pent-up frustration with this repression.

This is the backdrop to Indonesia's economic crisis, which continues to threaten not only Indonesia — the world's fourth most populous nation — but the region. In a conference on "Asia's Coming Explosion" held last week by the Overseas Development Council, the fears were not so much about Thailand and South Korea, where democratic governments have buckled down to the painful job of economic reform. The anxiety was directed at Indonesia, where an autocratic ruler continues to resist many needed changes.

This has put the West, and its agent, the International Monetary Fund, in a difficult position. President Suharto's three decades-plus rule has witnessed impressive economic growth, with the

share of population living in dire poverty falling from 60 percent to 11 percent. These gains are now threatened by a crisis of many causes. Corruption, collusion and cronyism increasingly distort the economy, but they are not the only issues.

Many of Indonesia's institutions, from secondary education to bank supervision, failed to keep pace with economic growth and the rapid influx of foreign investment. And coincidentally the nation has been suffering through one of its worst droughts in decades, an El Niño-related disaster that threatens the nation's rice harvest. Now the poverty rate could rise to 20 percent, nearly doubling in a year. Combined with long-standing ethnic tensions and the absence of outlets for political expression, the hardship could be explosive.

In the past few days, Indonesia's government and the IMF have shown signs of new cooperation after disagreements had prompted the IMF to put its \$43 billion rescue plan on hold. The IMF may be willing, properly, to permit continuing subsidies for food and fuel; the government may be more amenable to ending state-sanctioned monopolies. Compromise would be welcome, given the human suffering that could otherwise result. But no lasting solution to the nation's economic problems is possible in the absence of more political openness.

—THE WASHINGTON POST.

### Troop Training

American military training for Indonesia's notoriously brutal anti-riot troops is a dangerous idea that was expressly prohibited by Congress on human rights grounds years ago. But such training has been going on, quietly, since 1992. The Pentagon cynically sidestepped congressional objections by moving the Indonesian training from the military education program, where it was prohibited, to a different bureaucratic pocket.

The case for an end to the riot troop training is now especially strong because it seems likely that the troops will be used to crush legitimate democratic protests. President Suharto's erratic response to the severe economic crisis and his stage-managed re-election have sent demonstrators into the streets and his government's legitimacy to a new low.

Regrettably, the U.S. Defense Department persists in believing that all military training programs are of great benefit to the United States.

Pentagon officials argue that such training forges valuable friendships

with future foreign military leaders and teaches trainees greater respect for civilian authority and for human rights.

Such benefits may realistically be expected in countries where top military and political leaders are committed to professionalizing the armed forces. But the record of American training efforts in repressive military cultures like Indonesia's is bleak. Unambiguous success stories are rare, while some military graduates of American training programs, like Manuel Antonio Noriega in Panama, have gone on to lead ugly, anti-American dictatorships.

In Indonesia, the riot suppression trainees can be expected to absorb American instruction in subjects like advanced sniper techniques and special air operations and ignore accompanying civics lessons.

Washington faces difficult enough challenges as the Indonesian crisis unfolds. It should not be complicating its agenda by tying the reputation of the United States to anti-riot troops whose history is marked by gratuitous violence and whose future behavior Washington is powerless to control.

—THE NEW YORK TIMES.

## Alien Deportation

On the basis of classified evidence, the U.S. government has obtained a decision from an immigration judge in California allowing it to deport six Iraqi nationals as threats to national security. The bulk of the opinion itself, the government contends, is classified and too sensitive to be seen by the lawyers for the six Iraqis. These men worked with the CIA against Saddam Hussein's regime and were among more than 6,500 Kurds and Iraqis evacuated by the agency when their opposition base in northern Iraq was overrun in 1996.

They have never been admitted to the United States formally but were put in a detention facility on their arrival. And because the government has not disclosed the nature of the concern about them (although there has been some suggestion that they are double agents), they have been unable to counter the allegations against them. They believe they will be executed if they are sent back to Iraq.

No one could argue that the government should be prevented from keeping terrorists and foreign agents out of the country. And evidence that a given alien is subversive cannot always be disclosed without compromising intelligence sources. The Supreme Court has held that an alien who has not yet been admitted to the country has no due process rights under the constitution.

But even if the government's position comports with the constitution, it is still extreme. In criminal cases involving national security, the government is required by law to provide defendants with unclassified summaries of evidence against them. These

summaries must provide the accused with substantially the same ability to defend themselves as the evidence itself would offer.

An exclusion proceeding may be a civil matter that does not, like a criminal case, threaten to deprive anybody of liberty. But the government should not contemplate taking an adverse action against someone — and sending these men to face execution at the hands of Saddam Hussein would certainly qualify — without allowing that person a chance to rebut even a summary of the evidence against him.

—THE WASHINGTON POST.

### Other Comment

#### Iraq's 'Presidential' Sites

From an ABC interview Sunday with Richard Butler, Unscow chief. Question: What kind of differences are your inspectors seeing [in Iraq]?

Mr. Butler: Last week we went to some places that Iraq decided to declare sensitive. We had sent a very tough team in to have a look at those places, and in the past we've been blocked. We were not with a degree of cooperation that I think justifies figuring that maybe there is now a new spirit out there.

Q: Are you able to say whether that spirit extends to knowing more about the biological weapons capacity?

A: No, I'm not. Sadly, I'm not.

—Excerpted from a comment in The Washington Post.

## Tough Talk on Kosovo Fits Pattern of U.S. Blunders

By Jack F. Matlock Jr.

PRINCETON, New Jersey — The Clinton administration's frenetic diplomatic activity in recent weeks in and around Serbia's Kosovo region provides a fresh example of floundering in today's international environment.

Senior administration officials have made public threats that, if carried out, could embroil the United States in an ethnic war with slight if any relevance to American security.

In response to outrageous Serbian police attacks on ethnic Albanians in Kosovo, Secretary of State Madeleine Albright announced on March 7 that the United States held Slobodan Milosevic, the Serbian leader, "personally responsible" for developments in Kosovo and reiterated that the United States "will not tolerate violence."

Earlier, Robert Gelbard, the United States envoy, was even more pointed when he threatened "the most dire consequences imaginable" to the Yugoslav government.

By making implied threats to use military force — an idea that has no support among America's NATO allies — and by blaming Mr. Milosevic for all the violence, the administration is setting itself up: If our threats do not deter him, we Americans will either have to take action that can only worsen the situation or be seen as engaging in a bluff. Worse, our posturing can encourage those Albanians who use force and violence to assert their irredentist claims not only to rump Yugoslavia but also in Macedonia.

Certainly it is in the American interest to deter another Balkan war, as it is to discourage brutal Serbian treatment of ethnic Albanian citizens. But the problem cannot be solved by bluster or military action, much less by unilateral American strikes. A solution will require Mr. Milosevic to agree to restore the autonomy to Kosovo that he took away in 1989 and to protect the rights of ethnic Albanians and Serbs alike.

By blaming Mr. Milosevic alone for

the recent crackdown, and by not giving adequate public attention to the violent actions by armed Albanian separatists that provoked it, we hardly encourage compromise. By not insisting publicly that the Kosovo Albanian leaders drop their demand for full independence and negotiate in good faith for autonomy within Yugoslavia, we seem to be insisting on something no government in Belgrade can accept, with or without Mr. Milosevic.

Our NATO allies and, importantly, Russia have taken a more balanced approach, exerting pressure on each side to conduct negotiations on self-rule. But if armed Kosovo Albanians continue to attack Serbs in the region, it is difficult to see how talks could lead to a settlement or how the Yugoslav government could resist public pressure to retaliate.

If the American threat were an isolated tactical error, it could be excused as an uncharacteristic blunder easily fixed. Unfortunately, it fits a pattern of strategic misjudgment that has marked the administration's foreign policy of late. The administration has maneuvered itself very close to a lose-lose choice in dealing with Saddam Hussein, and has weakened America's leverage and ties with allies by attempting a "dual containment" of Iraq and Iran.

The administration has also reduced our ability to keep weapons of mass destruction away from terrorists and rogue regimes. By pursuing a mindless expansion of NATO, the United States has given Russia more cause to hold on to its nuclear arsenal and resist an American role in preventing leaks of nuclear technology.

The collapse of the Soviet Union transformed the international environment. America no longer has a global rival that can threaten it by exploiting local conflicts. We, therefore, can safely insist that other countries accept the

prime responsibility for keeping peace in their neighborhoods. The United States must be able to counter threats to regional balances of power when they occur. But over the long run, we can maintain our strength and influence only if we can do so with the support and participation of our friends.

Europeans should be required to bear the prime responsibility for ensuring peace in the Balkans. Islamic states, which with Israel have the most to lose from Iraq's weapons of mass destruction, must be responsible for supporting effective means to contain Saddam. Israelis and Palestinians must understand that they bear the responsibility for settling their problems and that others will not intervene to save them from themselves. Tough love works.

Our assistance will often be essential. But we need to resist the temptation to jump into every unstable situation. As the Gulf War showed, our military power is most effective when used in coalition with others. It also showed that even a spectacularly successful military

victory cannot assure future peace. It takes an orderly regional neighborhood to do that, not an overzealous sheriff rushing in from another continent.

The United States is now strong enough, both economically and militarily, to commit blunders without sensing the immediate effects.

The U.S. public seems oblivious to the dangers that lie ahead if the United States continues, without strategic design, to inject itself into one crisis after another, treating much of the world as its protectorate.

Uncle Sam still needs a big stick in this dangerous world. But the American people and our friends abroad will eventually whittle it to a toothpick unless he remembers Theodore Roosevelt's advice to speak softly and use it sparingly.

The writer, a professor at the Institute for Advanced Study, was U.S. ambassador to the Soviet Union from 1987 to 1991. He contributed this comment to The New York Times.

### Balkan Stability Depends on the West

I SUPPOSE we should be grateful that the so-called Contact Group, the Western powers that monitor Yugoslavia, has managed to make modest progress. In addition to mild diplomatic and economic sanctions, it agreed to push for a UN resolution imposing an arms embargo on Serbia.

This represents a small step forward, but it is not the kind of great step that will stop Slobodan Milosevic.

Only the credible threat of military action will force Mr. Milosevic to listen. In the weeks to come, he needs to be surrounded by soldiers. NATO troops must be posted along the "Yugoslav" borders with Macedonia, Albania and Bulgaria. Naval carriers should be stationed along the Montenegrin coast.

This plan is not far-fetched. A number of countries — the Czech Republic and

Canada, for example — may be willing to participate. And while Russia would probably not approve military maneuvers, it is also unlikely to block them.

Regional stability depends on swift action from the West. Any escalation of violence could spread to Macedonia, Albania and Montenegro. It also could reignite Bosnian Serb aspirations.

Mr. Milosevic can also be confronted on other issues that the West has ignored: his nonrecognition of the newly elected government in Montenegro, the lack of democratic institutions in Serbia and his failure to deliver war crime suspects to The Hague tribunal.

—Venon Surroi, publisher and editor in chief of Koha Ditore, an independent Albanian newspaper in Kosovo, commenting in The New York Times.

## India Prepares to Take a More Assertive Nuclear Posture

By Brahma Chellaney

NEW DELHI — Since its sole atomic test nearly 24 years ago, India has maintained nuclear ambiguity. Under new Prime Minister Atal Bihari Vajpayee, however, it appears set to move toward a less obscure, more assertive posture.

The Vajpayee government has resolved to "re-evaluate the country's nuclear policy and exercise the option to induct nuclear weapons." This is the first time that any Indian government has publicly committed itself to changing the country's long-standing nuclear policy.

The resolve reinforces a qualitative change in Indian nuclear thinking that began two years ago as a result of an intense national debate on the nuclear test ban treaty. The rejection of the treaty marked a shift in India's focus — from pursuing the illusive goal of global nuclear disarmament to giving primacy to national security.

For more than three decades since starting to produce plutonium, India has been debating whether to "go nuclear." Its indecisiveness has given

en the distinction of being the only country to openly conduct a nuclear test and yet shy away from a military posture based on deterrence.

No option can be kept open indefinitely without degrading. The Indian nuclear weapons option has come under siege in the 1990s, with the five declared nuclear powers joining hands for the first time to enforce nonproliferation as a global norm. If India does not resolve its security dilemma, it will get stuck as a nuclear threshold state, bearing the burden of an open option but not reaping the benefits.

With Western export controls on high technology pinching more and more, India today has four nuclear choices:

It can cut its mounting losses and sign the 1970 Nuclear Nonproliferation Treaty, or NPT.

It can continue to maintain nuclear ambivalence.

It can declare itself to be a nuclear weapons state with a

small number of nuclear weapons based on untested designs.

It can begin nuclear testing to erect a credible missile-based nuclear deterrent, since its principal security concern is China, still modernizing its nuclear arsenal.

While the second and third alternatives represent the middle ground, only the first and fourth options can yield concrete benefits to India. These alternatives, however, are also the toughest.

Opposition to the NPT is so deeply embedded in Indian political culture that no government can survive by acceding to the treaty. While accession to the NPT would help dissolve Western technology controls against New Delhi, an overt nuclear posture underpinned by testing — although not violative of India's international legal commitments — is likely to prompt the great powers to impose economic sanctions.

The sanctions threat, however, is unlikely to ensure continued Indian restraint, as New Delhi is already the target of U.S.-inspired export controls. If one excludes the handful of nations branded as "rogue" states and slapped with blanket technology embargoes, few countries today face the sustained brunt of U.S.-sponsored technology controls as much as

into a trap: The military relevance of its unripened nuclear capability will stay confined to Pakistan, and India will be locked in a "deterrence tie" with the very country that China has been building up as a counterweight to it.

This situation will work in Pakistan's favor, allowing it to use nuclear deterrence to compensate for its smaller conventional forces. Instead of Indian nuclear capability serving as the equalizer against the militarily stronger China, India will see its conventional military edge over Pakistan effectively equalized by Islamabad. With its tested nuclear warhead and missile designs from Beijing, Pakistan is already sitting pretty, while India remains saddled with an unreliable nuclear capability founded on a single test of a crude fission device.

Continued inaction by India would formalize this situation. From being a subconventionally confined conventional military power, India would drift into being a subconventionally confined nuclear power held in effective check by Pakistan.

Mr. Vajpayee has pledged to do everything possible for national security and to "exercise all available options, including the nuclear option."

If the Western powers wish to stop the emergence of a sixth declared nuclear weapons state, they should substitute their punitive approach with a constructive one that seeks to address India's core security concerns.

In addition to withdrawing technology controls, which damn India whether it restrains itself or goes ahead, these powers and Russia should be willing to extend nuclear security guarantees to New Delhi and show they are genuinely interested in moving toward total nuclear disarmament.

The writer is a professor of security studies at the Center for Policy Research in New Delhi. He contributed this comment to the International Herald Tribune.

## Clinton, Sex and Common Sense

By Gloria Steinem

NEW YORK — If all the sexual allegations now swirling around the White House turn out to be true, President Bill Clinton took "no" for an answer.

In her original story, Paula Jones essentially said the same thing. She went to the Governor Clinton's hotel room, where, she said, he asked her to perform oral sex and even dropped his trousers. She refused, and even she claims that he said something like, "Well, I don't want to make you do anything you don't want to do."

There was and is a difference between the accusations against Mr. Clinton and those against Bob Packwood and Clarence Thomas, between the experiences reported by Kathleen Willey and Anita Hill.

Commentators might stop puzzling over the president's favorable poll ratings, especially among women. But there appears to be little evidence to support those allegations. As with the allegations in Mrs. Willey's case, Mr. Clinton seems to have made a clumsy pass, then accepted rejection.

This is very different from the cases of Clarence Thomas and Bob Packwood. According to Anita Hill and a number of Mr. Packwood's former employees, the offensive behavior was repeated for years, despite constant "no's." It also occurred in the regular workplace of these women, where it could not be avoided.

The women who worked for Senator Packwood described a man who groped and lunged at them. Ms. Hill accused Mr. Thomas of regularly and graphically describing sexual practices and pornography.

In both cases, the women said they had to go to work every day, never knowing what sexual humiliation would await them — just the kind of "hostile environment" that sexual harassment

law was intended to reduce. As reported, Monica Lewinsky's case illustrates the rest of the equation: "Yes means yes."

Whatever it was, her relationship with Mr. Clinton has never been called unwelcome, coerced or other than something she sought. The power imbalance between them increased the index of suspicion, but there is no evidence to suggest that Ms. Lewinsky's will was violated; quite the contrary.

In fact, her subpoena in the Jones case should have been quashed.

Welcome sexual behavior is about as relevant to sexual harassment as borrowing a car is to stealing one.

The real violators of Ms. Lewinsky's will were Linda Tripp, who taped their talks; the FBI agents who questioned her without a lawyer; and Kenneth Starr, the independent prosecutor who seems intent on tailoring the former intern's testimony.

What if Mr. Clinton lied under oath about some or all of the above? According to polls, many Americans assume he did. There seems to be sympathy for keeping private sexual behavior private. Perhaps we Americans have a responsibility to make it O.K. for politicians to tell the truth — providing they are respectful of "no means no; yes means yes" — and still be able to enter high office.

Until then, we will disqualify energy and talent the country needs, as we are doing right now.

The writer is a founder of the National Women's Political Caucus and Ms. magazine. She contributed this comment to The New York Times.

### A strong incentive to move forward is the growing military asymmetry with China and China's nuclear aid to Pakistan.

India. It is this fact that has made India's present nuclear posture less and less viable.

An India determined to push ahead will weigh the costs of likely new sanctions against the international price it has been paying for more than a quarter century for staying out of the NPT regime. Even if India does nothing, it will continue to incur damages in the years ahead unless it embraces the NPT.

Another strong incentive for India to move forward is the growing military asymmetry with China and the latter's continuing covert nuclear and missile assistance to Pakistan.

With real Indian defense expenditures falling sharply in this decade and resource constraints likely to remain in the near term, the attraction of a minimal nuclear deterrent, in economic and military terms, may be irresistible for India.

Conventional defense, however strong, can never deter adversaries armed with nonconventional weapons. Nuclear deterrence, on the other hand, does not demand qualitative or quantitative parity with a rival.

Indian planners are aware that if nuclear indecision persists, the country could slide

### IN OUR PAGES: 100, 75 AND 50 YEARS AGO

#### 1898: War Rumors

NEW YORK — The interval until the public knows the finding of the Maine Board of Inquiry is being made the most of by the war party and sensation-mongers. Politicians are saying that war is inevitable and near; that Congress will enforce an immediate declaration of Cuban independence upon the President. The President and Cabinet have not yet decided what diplomatic move to make towards Spain which will bring war or a settlement without war.

#### 1923: German Plot

BERLIN — The German Popular Independence party was declared illegal throughout Prussia, following upon the disclosure of a vast conspiracy, engineered by its ultra-Nationalist leaders to overthrow the German Republic and to go to war with France. The coup d'Etat was to have been

carried out under the direction of General Ludendorff. It was planned to set in motion powerful forces composed partly of disaffected regiments of the Reichswehr, partly of Adolf Hitler's Fascist storm division.

#### 1948: U.S. Warning

FRANKFURT — The White House announcement that the State Department will not take over the American occupation of Germany came as a surprise to European Command headquarters. This development is expected to bring to a stop the gradual transformation of the American occupation from a military to a political and economic role. Tonight's (March 23) move was interpreted here as a warning to Moscow that the United States is as determined to support its political stakes in Europe as the Russians, judging from their recent Communist push in Czechoslovakia.

**Herald Tribune**  
ESTABLISHED 1887  
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER  
Co-Chairmen of the Board  
KATHARINE P. DARRROW, Vice Chairman  
PETER C. GOLDMARK JR., Chairman and Chief Executive Officer  
RICHARD WOOLDRIDGE, President and Chief Operating Officer  
MICHAEL GETLER, Executive Editor  
WALTER WELLS, Managing Editor • PAUL HORVITZ, Deputy Managing Editor  
KATHERINE KNORR and CHARLES MITCHELLMORE, Deputy Editors • SAMUEL ABT and CARL GEWIRTZ, Associate Editors • ROBERT J. DONAHUE, Editor of the Editorial Pages  
JONATHAN GAGE, Business and Finance Editor  
RENÉ BONDY, Senior Vice President and Chief Financial Officer  
DIDIER BRUN, Circulation Director  
Directeur de la Publication: Richard McClean  
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.  
Tel. (1) 41 43 93 00. Fax: Subscriptions, (1) 41 43 92 10; Advertising, (1) 41 43 92 12; News, (1) 41 43 93 38.  
Internet address: <http://www.ihb.com> E-Mail: [ihb@ihb.com](mailto:ihb@ihb.com)  
Editor for Asia, Michael Richardson, 1 Centerbury Rd., Singapore 19800. Tel. (65) 472-7788. Fax: (65) 374-2134  
Mig. Dr. Asia, Terry Dumas, 30 Gloucester Rd., Hong Kong Tel. 852-262-1188. Fax: 852-262-1700  
Gen. Mgr. Germany, T. Schmitz, Friedrichstr. 15, 10233 Frankfurt, Tel. +49 69 9712500. Fax: +49 69 97125020  
Pres. U.S., Ann Blomgren, 830 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 753-8785  
U.S. Advertising Office: 65 Long Ave., London WC2E. Tel. (171) 836-4802. Fax: (171) 240-2254  
S.A.S. av. Capelle 1-250 000 F. RCS Nanterre B 75202126. Comptabilité Paritaire No. 61337  
©1995, International Herald Tribune. All rights reserved. ISSN: 0294-8025







## Gliding On Wings Of Design

By Suzy Menkes  
International Herald Tribune

PARIS — Patricia Lester, whose clothes for "The Wings of the Dove" were in the running for an Oscar, had no way of watching the Academy Awards ceremony broadcast to viewers around the world.

There is no electricity and no television — just Dylan Thomas's boat-house and wonderful 180-degree sea views of light on water, said Lester from her holiday home in a remote region of western Wales.

The liquid veils and shimmering silk pleats worn by Helena Bonham Carter captured in their ever-changing surfaces the elusive, elliptical spirit of the movie based on Henry James's novel. Yet the outfits worn by the main characters and by supporting actors, such as Charlotte Rampling, were not specially designed. Sandy Powell, the film's costume designer, approached Patricia and Charles Lester — and just picked pieces from their current collection.

Known for their exceptional fabrics and rich Renaissance colors, created from a secret formula similar to the work done by Mariano Fortuny in Venice at the turn of the century, the Lesters have carved out a unique place in international fashion. Their fluid kimono coats and neoclassical pleated dresses, all hand-dyed or printed in their Welsh workshops, are worn by women of independent spirit and artistic bent who want modern evening clothes that are outside the fashion loop.

It is their combined sense of history and modernity that made the clothes appropriate to the movie, whose dates were moved from 19th to 20th century to take in the first stirrings of the rebellious, unconventional modern woman. The loose, easy drapes were in symbolic contrast to the structured and stuffy clothes of the Victorian and Edwardian eras.

"Our clothes have an easy, timeless aesthetic that fits in — we could do Roman clothes quite easily," said Lester, who also contributed textiles to Kenneth Branagh's 19th-century update of "Hamlet" and will costume Mascagni's opera "Iris" at Lincoln Center in New York in November.

How did Lester feel about the Oscar nomination?

"I was thrilled to bits — it was something we did a while ago, so I was amazed," she said. "I have no particular ambitions in that direction, but I am proud that people liked our clothes."



Alison Elliott, left, Linus Roache and Helena Bonham Carter in "Wings."

## A World Of YSL And Art

International Herald Tribune

LONDON — Wrapped in raspberry silk robes and French haute couture, Cardinal Richelieu gazed down at five models posing in the National Gallery.

To celebrate the unveiling of the Yves Saint Laurent Room in the art gallery at Trafalgar Square last week, the couturier presented some of his most memorable art-inspired outfits, from the geometric, primary-color 1965 Mondrian dress through the 1988 jacket famously embroidered with van Gogh's sunflowers.

"I have always believed that art is not only a part of culture but of life itself, that it should be made accessible to the greatest number and that museums deserve to be helped and encouraged," said Saint Laurent, explaining that he had drawn inspiration from painters as diverse as Goya, Matisse and Mondrian.

Saint Laurent and his partner, Pierre Berge, are both major sponsors of the newly refurbished North Galleries and have rooms named for them. The YSL gallery is devoted to 17th-century French paintings, including Philippe de Champaigne's portrait of Richelieu and work by the Le Nain brothers, Le Sueur and Mignard.

More than half the privately funded £4 million (\$6.6 million) has come from French donors, with a room dedicated to Nicolas Poussin and named for the David-Weill family.



Suzy Menkes

Yves Saint Laurent's wool jersey dress inspired by Piet Mondrian.

## 2 Crafts in One: A Marriage of Texture and Contour

By Suzy Menkes  
International Herald Tribune

PARIS — They are an exceptional artistic duo: his graceful furniture fine-carved as smooth as silk; her woven textiles with contours of multishaded stitches.

Yet the current exhibition of their furnishings — woven deck chairs with curly legs and a banquette with a patterned hiltop for a seat — is the first time that Anne and Vincent Corbiere have merged their handcraft skills.

"It's an osmosis — like a dog growing to look like its owner," said Vincent Corbiere. "For a long time we have done our projects working by hand, side by side in the same room, and now we have brought the skills together."

The marriage broker is Pierre Passeron, whose eclectic Paris gallery is showing the joint work after encouraging Vincent Corbiere to adapt his original training as a classical-guitar maker to furnishings. The objects include lamps twisted into spindly columns, mirrors with inlaid frames planed as flat as

the glass and the ultimate contrack with hand-carved hangers, as well as the signature consoles and tables gamboing on curving legs.

Both artisans were trained under the unique French support system for handcrafts. Vincent was a woodworker with the French guild Les Compagnons du Devoir. Anne, a French literature graduate from Portland, Oregon, moved from the United States to Paris and took an apprenticeship at the Atelier National d'Art Textile. Both also found patrons: Jacques Grange, the leading French decorator for custom-made furniture, and couturier Christian Lacroix for the one-off woven textiles.

Lacroix met Anne Corbiere in 1989 through the theater, where her exceptional skills with dyeing and weaving were used to create costumes. She has subsequently worked with the designer on productions of "Carmen" and "Otello" — as well as in haute couture. "I first knew her as a colorist, and she has brought a lot to couture," said Lacroix. "As soon as I see an image, I send it to her and she interprets it in her work. It is mutual, because in the exhibition I recognized hangings that mix metal, cotton and linen as we first did for couture."

Anne Corbiere, working on a computer-piloted Derby loom, developed an original technique in response to Lacroix's sensitivity to random textures and subtle colors. She combines different materials from silk, through cotton, wool and linen and weaves them to create a spontaneous mingling of shades and surface textures. In a technique that brings together two crafts, the couture house creates the patterned pieces from the client measurements and weaving and dyeing is done to scale.

But after working so closely with the designer to interpret the color and technique of a particular painting as an haute couture jacket, furnishings required another application.

"I am used to working on a scale round the body, so this is a different departure, leaning on my experience doing fabric for couture but adapting my vision of graphic colors and texture," she



Vincent and Anne Corbiere with woven-seat banquette and mirrors.

explains. She was referring to the flat bed throws, wall hangings and chair seats that come in a maze of stitches and in hot and cool colors like caramelized orange with duck-egg blue, or ebony with cream.

If Anne Corbiere has a starting point for her modernist work, it is kilim tapestries with their asymmetry and sudden changes of color and pattern in mid-motif. But her creed is to combine the "security of structure" that the loom gives her with "the spontaneity, the breaking down, the unplanned."

Through the 1990s, they have found that whereas the designer was once

paramount, there is now increasing respect for the technical craft that goes into the applied arts. Both, says Vincent, detest the conceptual art of the so-called avant-garde and consider their handcraft its antithesis.

"We are doing what we feel strongly in our hearts. We are both manual people who want to express our intimate world," Anne Corbiere says.

With the revival of interest in craft in the United States, could she have achieved the same recognition back home?

"There is a huge artisanal movement in America, but I don't think I would be pushed to the level of sophistication that you get here with couture and the decorative arts," she says. "Americans come to Europe for that."

Anne et Vincent Corbiere, Textile et Mobilier at Galerie du Passage, 20/22 Galerie Vera-Dodot, 75001 Paris, until May 6.

## BOOKS

### SHOW TIME: The American Political Circus and the Race for the White House

By Roger Simon. 345 pages. \$25. Times. Reviewed by David Nicholson

WHAT a wonderful book this is, deliciously wicked, a complete hoot from start to finish!

Roger Simon, a journalist at The Chicago Tribune, takes as his subject the 1996 presidential race, which one newspaper called the dullest campaign in the past 25 years. It may have seemed that way to some, but Simon found it

"one of the greatest shows on Earth." His book backs that claim. There are moments of drama and pathos aplenty, but what we mostly witness is buffoonery, and chicanery, enough to wonder at our collective national sanity and to pray for the future of the republic.

No one in "Show Time" gets off unscathed. There is a devastating portrait of the talk show host Larry King, telling a joke so dirty it can't even be paraphrased for this family newspaper, then committing numerous gaffes in a broadcast with several Republican candidates, including reporting a Senate bill as passing by a 61-40-44 vote.

Still, while the men and women of the media come in for their share of scrutiny, Simon pays most attention to the candidates and their staffs.

The men and women of the Clinton campaign were devoted to "stagecraft," controlling everything to present the candidate in the best light. When Clinton spoke, the stage was always four feet high so that people could wave signs without blocking television cameras. Pompous for the audience were color-coded, orange in Arizona, green in Oregon. The debates with Bob Dole were 90 minutes instead of 60, to keep the 72-year-old Dole up past his usual bedtime.

Dole's advisers in 1996 also knew what it would take to win the election. Dole probably did, too, and he wanted no part of it. "I'm a real candidate," he said. "I want to get things done. To me, that's a vision — getting things done."

The trouble was he could never communicate just what he wanted to get done. Asked to repeat the same message in five consecutive speeches, Dole was more likely to say the same thing five times in the same speech: "So I've done it the hard way. You do things the hard way, just as you have done things the hard way, and I've done it the hard way and I'll do it the hard way once again."

"Show Time" abounds with such incidents, and they are, sad to say, laugh-out-loud funny. Dole may be a genuinely good man, and he might have made a good president. Reading excerpts from his speeches, however, you wonder why he wanted to run.

Aboard his campaign plane, Dole complained to a reporter that focus groups knew he was a senator and not much else. "What," asked the reporter, "is the single most important thing for them to know about you?" Dole responded, "Beats me."

One of the most telling scenes in the book is of Clinton on a platform at the rear of the train taking him to the Democratic National Convention in Chicago. He has a microphone, and there are speakers on the roof of the car. It's late. He can hardly see the people he's passing. Still the president continues to call out: "How you doin', man? Nice doggy. . . That's the biggest satellite dish I ever saw! . . . Nice garden!"

As silly as this sounds, it strikes to the heart of why Clinton won. He knew how to connect with the voters, how to appear "moderate, caring and likable, especially to women."

In the end Simon quotes a Dole adviser to the effect that Clinton wasn't president before the 1996 campaign. "He never became president by governing," he says. "He only became president by pretending to be president in the campaign."

The observation seems spot on. It's a sad ending to a very funny book.

David Nicholson, a writer in Washington, reviewed this for The Washington Post.

## CHESS

By Robert Byrne

TWO pick-up teams, one from the Americas and one from Europe, contested a Scheveningen System match on 10 boards at the Mermaid Beach Club in Bermuda last month.

In the third round, Alexander Shabalov played a crisp positional and tactical game to defeat Alexander Baburin.

The Accelerated Dragon Variation of the Sicilian Defense with an early ...g6 aims to achieve ...d5 in one move, as may happen after 3 d4 c4 4 Nd4 Bg7 5 Nc3 Nc6 6 Bc3 Nf6 7 Be2 O-O 8 O-O d5. But it does not deter White from setting up the Maroczy bind with 5 c4, which virtually excludes ...d5.

One of Black's methods for minimizing his lack of terrain is to reduce material with 7...Ng4 8 Qg4 8 Nc6? Ne3 9 Nd8 Nd1 10 Nd1 Kd8 11 Rcl b6 12 Bb3 Bb7 yields Black a slightly superior two-bishop endgame Nd4.

With 9...e5, Black announces that he is pinning his hopes on keeping a knight outpost at d4. White has tried to get the knight out of there with 10 Nb5, but after 10...O-O, taking the pawn by 11 Nd4? c2 12 Bd4 Qa5 13 Ke2 Re8 14 f3

SICILIAN DEFENSE			
White	Black	White	Black
Shabalov	Baburin	Shabalov	Baburin
1 e4	c5	17 Rcl	Qc7
2 Nf3	g6	18 Re1	Rd8
3 d4	g5	19 Qc4	Bf8
4 Nd4	Bg7	20 Qc4	Bf8
5 c4	Nc6	21 f4	Qf6
6 Bc3	Nf6	22 b4	e1
7 Nc3	Ng4	23 Rf1	b5
8 Qg4	Nd4	24 Bf4	Qb6
9 Qd1	e5	25 Bf4	Qb6
10 Bb3	g5	26 Qa8	Nb3
11 O-O	d6	27 Be5	Be7
12 a4	Be6	28 Qf7	c4
13 a5	Bc8	29 Qf7	Qe8
14 Qa4	Rc8	30 Qd7	Qe8
15 Nd5	Bc5	31 Kh1	Qd8
16 d5	Rd5	32 Bc4	Resigns

d5! 15 Bg7 Re4 16 Kd3 Re4 17 Ke3 Qc5 18 Kd2 Kg7 19 Be4 de 20 Qe1 Qe5 21 Kc3 Qf6 gave Black a winning attack in a Brunner-Ekstrom game. Switzerland 1990.

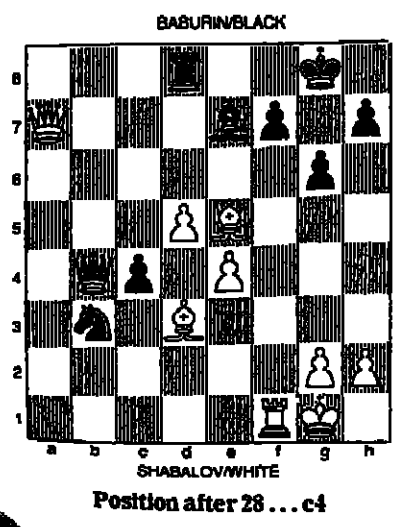
The primary point of 12 a4 was to play 13 Nb5 so that 13...Nb5 could be answered by 14 ab, giving White continued control of d5 as well as pressure on the now semi-open a file. The secondary point was that 12...a6 leaves Black with a weak square at b6. It was first seen in a Hebert-Serneck game in Cannes 1995.

After 20 Qc4, Shabalov had a protected passed d5 pawn, while Baburin's c5 pawn was vulnerable. Shabalov attacked the black center from both sides with the very nice 21 f4! Qf6 22 b4!

After 20 Qc4, Shabalov had a protected passed d5 pawn, while Baburin's c5 pawn was vulnerable. Shabalov attacked the black center from both sides with the very nice 21 f4! Qf6 22 b4!

Shabalov's 29 d6! was a deadly blow; if 29...Rd6, then 30 Qe7! ends the struggle. Baburin staggered on with 29...Re8, and Shabalov hit him again with 30 Qd7!

With amazing tenacity, Baburin continued with 30...Qb6 31 Kh1 Qd8, but Shabalov silenced him for good with 32 Be4! That was enough. Baburin gave up in view of 32...Qd7 33 Bf7 Kf8 34 Bb3 Bf6 35 Rf6 Kg7 36 Rf7.



Position after 28...c4

## CROSSWORD

- ACROSS**
- 1 Hemmed, but don't have
  - 2 Israel's Dayan
  - 3 Tour's offering
  - 4 Tickle pink
  - 5 Expressed joy
  - 6 The self-proclaimed "Greatest"
  - 7 Trifling amount
  - 8 Singer Zadora
  - 9 10% cuts
  - 10 fields (mythological afterworld)
  - 11 Spot for a Band-Aid
  - 12 Take apart
  - 13 School zone sign
  - 14 Pirate's potable
  - 15 Korean soldier
  - 16 New Zealanders
  - 17 Black cat, maybe
  - 18 Stallone role
  - 19 Dorothy followed it
  - 20 Seaweed, wrapped fare
  - 21 Singer Zadora
  - 22 10% cuts
  - 23 fields (mythological afterworld)
  - 24 Spot for a Band-Aid
  - 25 Take apart
  - 26 School zone sign
  - 27 Pirate's potable
  - 28 Korean soldier
  - 29 New Zealanders
  - 30 Black cat, maybe
  - 31 Stallone role
  - 32 Dorothy followed it
  - 33 Seaweed, wrapped fare
  - 34 Singer Zadora
  - 35 10% cuts
  - 36 fields (mythological afterworld)
  - 37 Spot for a Band-Aid
  - 38 Take apart
  - 39 School zone sign
  - 40 Pirate's potable
  - 41 Korean soldier
  - 42 New Zealanders
  - 43 Black cat, maybe
  - 44 Stallone role
  - 45 Dorothy followed it
  - 46 Seaweed, wrapped fare
  - 47 Singer Zadora
  - 48 10% cuts
  - 49 fields (mythological afterworld)
  - 50 Spot for a Band-Aid
  - 51 Take apart
  - 52 School zone sign
  - 53 Pirate's potable
  - 54 Korean soldier
  - 55 New Zealanders
  - 56 Black cat, maybe
  - 57 Stallone role
  - 58 Dorothy followed it
  - 59 Seaweed, wrapped fare
  - 60 Singer Zadora
  - 61 10% cuts
  - 62 fields (mythological afterworld)
  - 63 Spot for a Band-Aid
  - 64 Take apart
  - 65 School zone sign
  - 66 Pirate's potable
  - 67 Korean soldier
  - 68 New Zealanders
  - 69 Black cat, maybe
  - 70 Stallone role
  - 71 Dorothy followed it
  - 72 Seaweed, wrapped fare
  - 73 Singer Zadora
  - 74 10% cuts
  - 75 fields (mythological afterworld)
  - 76 Spot for a Band-Aid
  - 77 Take apart
  - 78 School zone sign
  - 79 Pirate's potable
  - 80 Korean soldier
  - 81 New Zealanders
  - 82 Black cat, maybe
  - 83 Stallone role
  - 84 Dorothy followed it
  - 85 Seaweed, wrapped fare
  - 86 Singer Zadora
  - 87 10% cuts
  - 88 fields (mythological afterworld)
  - 89 Spot for a Band-Aid
  - 90 Take apart
  - 91 School zone sign
  - 92 Pirate's potable
  - 93 Korean soldier
  - 94 New Zealanders
  - 95 Black cat, maybe
  - 96 Stallone role
  - 97 Dorothy followed it
  - 98 Seaweed, wrapped fare
  - 99 Singer Zadora
  - 100 10% cuts
  - 101 fields (mythological afterworld)
  - 102 Spot for a Band-Aid
  - 103 Take apart
  - 104 School zone sign
  - 105 Pirate's potable
  - 106 Korean soldier
  - 107 New Zealanders
  - 108 Black cat, maybe
  - 109 Stallone role
  - 110 Dorothy followed it
  - 111 Seaweed, wrapped fare
  - 112 Singer Zadora
  - 113 10% cuts
  - 114 fields (mythological afterworld)
  - 115 Spot for a Band-Aid
  - 116 Take apart
  - 117 School zone sign
  - 118 Pirate's potable
  - 119 Korean soldier
  - 120 New Zealanders
  - 121 Black cat, maybe
  - 122 Stallone role
  - 123 Dorothy followed it
  - 124 Seaweed, wrapped fare
  - 125 Singer Zadora
  - 126 10% cuts
  - 127 fields (mythological afterworld)
  - 128 Spot for a Band-Aid
  - 129 Take apart
  - 130 School zone sign
  - 131 Pirate's potable
  - 132 Korean soldier
  - 133 New Zealanders
  - 134 Black cat, maybe
  - 135 Stallone role
  - 136 Dorothy followed it
  - 137 Seaweed, wrapped fare
  - 138 Singer Zadora
  - 139 10% cuts
  - 140 fields (mythological afterworld)
  - 141 Spot for a Band-Aid
  - 142 Take apart
  - 143 School zone sign
  - 144 Pirate's potable
  - 145 Korean soldier
  - 146 New Zealanders
  - 147 Black cat, maybe
  - 148 Stallone role
  - 149 Dorothy followed it
  - 150 Seaweed, wrapped fare
  - 151 Singer Zadora
  - 152 10% cuts
  - 153 fields (mythological afterworld)
  - 154 Spot for a Band-Aid
  - 155 Take apart
  - 156 School zone sign
  - 157 Pirate's potable
  - 158 Korean soldier
  - 159 New Zealanders
  - 160 Black cat, maybe
  - 161 Stallone role
  - 162 Dorothy followed it
  - 163 Seaweed, wrapped fare
  - 164 Singer Zadora
  - 165 10% cuts
  - 166 fields (mythological afterworld)
  - 167 Spot for a Band-Aid
  - 168 Take apart
  - 169 School zone sign
  - 170 Pirate's potable
  - 171 Korean soldier
  - 172 New Zealanders
  - 173 Black cat, maybe
  - 174 Stallone role
  - 175 Dorothy followed it
  - 176 Seaweed, wrapped fare
  - 177 Singer Zadora
  - 178 10% cuts
  - 179 fields (mythological afterworld)
  - 180 Spot for a Band-Aid
  - 181 Take apart
  - 182 School zone sign
  - 183 Pirate's potable
  - 184 Korean soldier
  - 185 New Zealanders
  - 186 Black cat, maybe
  - 187 Stallone role
  - 188 Dorothy followed it
  - 189 Seaweed, wrapped fare
  - 190 Singer Zadora
  - 191 10% cuts
  - 192 fields (mythological afterworld)
  - 193 Spot for a Band-Aid
  - 194 Take apart
  - 195 School zone sign
  - 196 Pirate's potable
  - 197 Korean soldier
  - 198 New Zealanders
  - 199 Black cat, maybe
  - 200 Stallone role
  - 201 Dorothy followed it
  - 202 Seaweed, wrapped fare
  - 203 Singer Zadora
  - 204 10% cuts
  - 205 fields (mythological afterworld)
  - 206 Spot for a Band-Aid
  - 207 Take apart
  - 208 School zone sign
  - 209 Pirate's potable
  - 210 Korean soldier
  - 211 New Zealanders
  - 212 Black cat, maybe
  - 213 Stallone role
  - 214 Dorothy followed it
  - 215 Seaweed, wrapped fare
  - 216 Singer Zadora
  - 217 10% cuts
  - 218 fields (mythological afterworld)
  - 219 Spot for a Band-Aid
  - 220 Take apart
  - 221 School zone sign
  - 222 Pirate's potable
  - 223 Korean soldier
  - 224 New Zealanders
  - 225 Black cat, maybe
  - 226 Stallone role
  - 227 Dorothy followed it
  - 228 Seaweed, wrapped fare
  - 229 Singer Zadora
  - 230 10% cuts
  - 231 fields (mythological afterworld)
  - 232 Spot for a Band-Aid
  - 233 Take apart
  - 234 School zone sign
  - 235 Pirate's potable
  - 236 Korean soldier
  - 237 New Zealanders
  - 238 Black cat, maybe
  - 239 Stallone role
  - 240 Dorothy followed it
  - 241 Seaweed, wrapped fare
  - 242 Singer Zadora
  - 243 10% cuts
  - 244 fields (mythological afterworld)
  - 245 Spot for a Band-Aid
  - 246 Take apart
  - 247 School zone sign
  - 248 Pirate's potable
  - 249 Korean soldier
  - 250 New Zealanders
  - 251 Black cat, maybe
  - 252 Stallone role
  - 253 Dorothy followed it
  - 254 Seaweed, wrapped fare
  - 255 Singer Zadora
  - 256 10% cuts
  - 257 fields (mythological afterworld)
  - 258 Spot for a Band-Aid
  - 259 Take apart
  - 260 School zone sign
  - 261 Pirate's potable
  - 262 Korean soldier
  - 263 New Zealanders
  - 264 Black cat, maybe
  - 265 Stallone role
  - 266 Dorothy followed it
  - 267 Seaweed, wrapped fare
  - 268 Singer Zadora
  - 269 10% cuts
  - 270 fields (mythological afterworld)
  - 271 Spot for a Band-Aid
  - 272 Take apart
  - 273 School zone sign
  - 274 Pirate's potable
  - 275 Korean soldier
  - 276 New Zealanders
  - 277 Black cat, maybe
  - 278 Stallone role
  - 279 Dorothy followed it
  - 280 Seaweed, wrapped fare
  - 281 Singer Zadora
  - 282 10% cuts
  - 283 fields (mythological afterworld)
  - 284 Spot for a Band-Aid
  - 285 Take apart
  - 286 School zone sign
  - 287 Pirate's potable
  - 288 Korean soldier
  - 289 New Zealanders
  - 290 Black cat, maybe
  - 291 Stallone role
  - 292 Dorothy followed it
  - 293 Seaweed, wrapped fare
  - 294 Singer Zadora
  - 295 10% cuts
  - 296 fields (mythological afterworld)
  - 297 Spot for a Band-Aid
  - 298 Take apart
  - 299 School zone sign
  - 300 Pirate's potable
  - 301 Korean soldier
  - 302 New Zealanders
  - 303 Black cat, maybe
  - 304 Stallone role
  - 305 Dorothy followed it
  - 306 Seaweed, wrapped fare
  - 307 Singer Zadora
  - 308 10% cuts
  - 309 fields (mythological afterworld)
  - 310 Spot for a Band-Aid
  - 311 Take apart
  - 312 School zone sign
  - 313 Pirate's potable
  - 314 Korean soldier
  - 315 New Zealanders
  - 316 Black cat, maybe
  - 317 Stallone role
  - 318 Dorothy followed it
  - 319 Seaweed, wrapped fare
  - 320 Singer Zadora
  - 321 10% cuts
  - 322 fields (mythological afterworld)
  - 323 Spot for a Band-Aid
  - 324 Take apart
  - 325 School zone sign
  - 326 Pirate's potable
  - 327 Korean soldier
  - 328 New Zealanders
  - 329 Black cat, maybe
  - 330 Stallone role
  - 331 Dorothy followed it
  - 332 Seaweed, wrapped fare
  - 333 Singer Zadora
  - 334 10% cuts
  - 335 fields (mythological afterworld)
  - 336 Spot for a Band-Aid
  - 337 Take apart
  - 338 School zone sign
  - 339 Pirate's potable
  - 340 Korean soldier
  - 341 New Zealanders
  - 342 Black cat, maybe
  - 343 Stallone role
  - 344 Dorothy followed it
  - 345 Seaweed, wrapped fare
  - 346 Singer Zadora
  - 347 10% cuts
  - 348 fields (mythological afterworld)
  - 349 Spot for a Band-Aid
  - 350 Take apart
  - 351 School zone sign
  - 352 Pirate's potable
  - 353 Korean soldier
  - 354 New Zealanders
  - 355 Black cat, maybe
  - 356 Stallone role
  - 357 Dorothy followed it
  - 358 Seaweed, wrapped fare
  - 359 Singer Zadora
  - 360 10% cuts
  - 361 fields (mythological afterworld)
  - 362 Spot for a Band-Aid
  - 363 Take apart
  - 364 School zone sign
  - 365 Pirate's potable
  - 366 Korean soldier
  - 367 New Zealanders
  - 368 Black cat, maybe
  - 369 Stallone role
  - 370 Dorothy followed it
  - 371 Seaweed, wrapped fare
  - 372 Singer Zadora
  - 373 10% cuts
  - 374 fields (mythological afterworld)
  - 375 Spot for a Band-Aid
  - 376 Take apart
  - 377 School zone sign
  - 378 Pirate's potable
  - 379 Korean soldier
  - 380 New Zealanders
  - 381 Black cat, maybe
  - 382 Stallone role
  - 383 Dorothy followed it
  - 384 Seaweed, wrapped fare
  - 385 Singer Zadora
  - 386 10% cuts
  - 387 fields (mythological afterworld)
  - 388 Spot for a Band-Aid
  - 389 Take apart
  - 390 School zone sign
  - 391 Pirate's potable
  - 392 Korean soldier
  - 393 New Zealanders
  - 394 Black cat, maybe
  - 395 Stallone role
  - 396 Dorothy followed it
  - 397 Seaweed, wrapped fare
  - 398 Singer Zadora
  - 399 10% cuts
  - 400 fields (mythological afterworld)
  - 401 Spot for a Band-Aid
  - 402 Take apart
  - 403 School zone sign
  - 404 Pirate's potable
  - 405 Korean soldier
  - 406 New Zealanders
  - 407 Black cat, maybe
  - 408 Stallone role
  - 409 Dorothy followed it
  - 410 Seaweed, wrapped fare
  - 411 Singer Zadora
  - 412 10% cuts
  - 413 fields (mythological afterworld)
  - 414 Spot for a Band-Aid
  - 415 Take apart
  - 416 School zone sign
  - 417 Pirate's potable
  - 418 Korean soldier
  - 419 New Zealanders
  - 420 Black cat, maybe
  - 421 Stallone role
  - 422 Dorothy followed it
  - 423 Seaweed, wrapped fare
  - 424 Singer Zadora
  - 425 10% cuts
  - 426 fields (mythological afterworld)
  - 427 Spot for a Band-Aid
  - 428 Take apart
  - 429 School zone sign
  - 430 Pirate's potable
  - 431 Korean soldier
  - 432 New Zealanders
  - 433 Black cat, maybe
  - 434 Stallone role
  - 435 Dorothy followed it
  - 436 Seaweed, wrapped fare
  - 437 Singer Zadora
  - 438 10% cuts
  - 439 fields (mythological afterworld)
  - 440 Spot for a Band-Aid
  - 441 Take apart
  - 442 School zone sign
  - 443 Pirate's potable
  - 444 Korean soldier
  - 445 New Zealanders
  - 446 Black cat, maybe
  - 447 Stallone role
  - 448 Dorothy followed it
  - 449 Seaweed, wrapped fare
  - 450 Singer Zadora
  - 451 10% cuts
  - 452 fields (mythological afterworld)
  - 453 Spot for a Band-Aid
  - 454 Take apart
  - 455 School zone sign
  - 456 Pirate's potable
  - 457 Korean soldier
  - 458 New Zealanders
  - 459 Black cat, maybe
  - 460 Stallone role
  - 461 Dorothy followed it
  - 462 Seaweed, wrapped fare
  - 463 Singer Zadora











## EUROPE

## Elf, Seeking Reserves, Buys Into Yuksi Oil

**Bloomberg News**  
PARIS — Elf Aquitaine SA said Monday it would buy 5 percent of AO Yuksi Oil Co., Russia's largest oil company, for \$528 million to help diversify its sources of oil.

The offer values Yuksi — the company that will be formed once AO Yukos Oil Co. merges with AO Siberian Oil Co. — at \$10.6 billion, nearly one-third of Elf's market value. Yuksi produces 22 percent of Russia's oil, or 1.3 million barrels a day. Elf pumped 795,000 barrels of crude oil a day last year.

The move takes France's largest oil company a step closer to its goal of generating 10 percent of its crude

production outside Africa and Western Europe by 2000. Together, those two regions currently account for 97 percent of Elf's output.

The announcement coincided with an agreement among most of the world's biggest oil-producing nations to reduce output, a move intended to drive up prices, which fell to a nine-year low last Tuesday.

"This investment will give Elf access to some cheap reserves," said Peter Hitchens, an analyst at Williams de Broc in London. There may be some short-term political uncertainty in Russia, but in the long term it's a good move," Elf joins other Western oil

companies in seeking new alliances in Russia. Royal Dutch/Shell Group last year formed a \$1 billion joint venture with RAO Gazprom, Russia's natural-gas monopoly, to develop Russian energy deposits, and British Petroleum PLC spent \$750 million to buy a 10 percent stake in AO Sidanco, Russia's fourth-biggest oil company.

Gazprom and AO Lukoil Holding, Russia's second-largest oil producer, are considering teaming up with Shell to bid for RAO Rosneft, the country's last major state-owned oil producer. Bidding for Rosneft starts Tuesday at \$2.1 billion, with Yuksi also expected to join in.

"Yuksi can provide Elf with the best platform to develop its oil and gas activities in the former Soviet Union," Mikhail Khordorkovsky, Yuksi's chairman, said. "And Elf can assist Yuksi as it transforms itself into one of the world's top international companies."

Among the projects Elf and Yuksi will develop is the Sigmur oil field in western Siberia, which analysts have said could hold 700 million barrels of oil. Yuksi and Elf estimate the development cost at \$1.5 billion. Elf already operates the Shapinko field in the Timan-Pechora region.

Elf shares closed Monday in Paris at 801 francs (\$130.35), up 35.

## France Blocks 2 of 5 Banks Vying for CIC

**Reuters**  
PARIS — The Finance Ministry said Monday that it had eliminated two banks as bidders for the regional French banking company CIC, leaving just three bidders.

The ministry said the remaining candidates for the privatization were the French banks Societe Generale and Credit Mutuel and the Dutch finance company ABN-AMRO Holding NV.

Banque Nationale de Paris and Credit Commercial de France were eliminated. Both sought to buy CIC to shore up their domestic bases before European monetary union.

The ministry said that it was acting on a recommendation from a privatization commission and that a buyer would be picked in mid-April. The sale was to be completed by the end of the month.

A source said the commission, which will be consulted again once final offers are submitted, had rejected BNP and CCF because their bids were too low.

The three remaining bidders will be given fresh access Wednesday and Thursday to confidential financial information on CIC and will then have seven working days to submit their final offers.

BNP gave a first clue on the bidding prices for CIC, saying that its rejected offer had valued CIC as a whole at "more than 16 billion francs."

The government is selling 67 percent of CIC, a grouping of about a dozen regional banks with strong local ties and 21,000 employees.

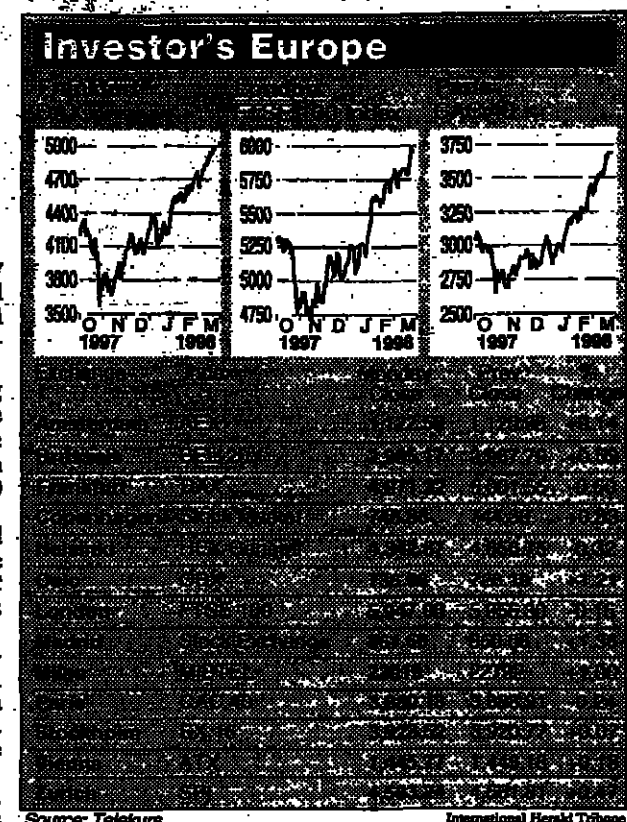
CIC, whose net attributable profit rose 33 percent in 1997, to 1.1 billion francs (\$179 million), is owned by the troubled state-controlled insurer GAN, which is to be privatized after the sale of CIC.

The ministry said nothing of the rejected offers beyond qualifying all five initial bids as "quality offers."

French bank profits in general are on the rise, and many banks are eager not to be left on the sidelines in a further wave of consolidation in Europe.

Societe Generale made no official comment on the ministry statement.

ABN-AMRO Holding, the parent of ABN-AMRO Bank, also declined to comment beyond confirming that it had been informed it was still in the running.



## HOECHST: A Strategy Under Fire

Continued from Page 11

company, called Hoechst Marion Roussel, is a hedgepodge of old products and declining volumes. No one has said this more bluntly than the company's chief executive, Richard Markham.

"In 1997, we were the only company in the top 10 whose sales declined in real terms," he said as he presented results March 11. "Our product line is older and more of our sales are of off-patent products than our competitors'. Our product line is fragmented."

Hoechst Marion Roussel's biggest product is Cardizem, a drug to relieve heart disorders, which had sales of \$780 million last year. But Cardizem's patents are expiring, and generic rivals will be on the market no later than mid-1999. Its other big product, a new allergy drug called Allegra, is booming but is largely replacing a similar drug called Seldane, which the company took off the market because of its side effects.

Mr. Markham, in the hope of emulating other successful pharmaceutical companies, has been rushing to refocus the company's research on developing a handful of drugs with blockbuster potential. But only two of those drugs are expected to receive approval from the U.S. Food and Drug Administration in 1998, and the company has been conservative about predicting their sales potential.

Meanwhile, the drug unit is fighting high costs and \$6.1 billion of debt. Despite slashing 8,000 jobs worldwide last year, the company announced in January that it would

eliminate more than 1,000 research jobs this year. That move outraged workers and managers, who staged loud demonstrations at Hoechst and later began hanging the black crosses from their windows.

In an unusual act of defiance, a group of managers at Hoechst Marion Roussel denounced the "catastrophic effects" of decisions by Mr. Dormann and other top executives in an open letter to the Hoechst supervisory board. "Since Mr. Dormann became chairman of the board in 1994, dangerously flawed decisions have accelerated to an alarming extent," wrote the group, led by Michael Friedrich, a researcher.

But what rattled investors was Mr. Markham's warning about the year ahead. Acknowledging that the drug company's costs were still too high, he announced plans to set aside about \$400 million next year to pay for another round of restructuring costs. After questioning Mr. Markham and other executives, moreover, many analysts concluded that the drug company would not meet its long-stated goal of generating a 20 percent profit margin in 1999.

Had it been only one disappointment, investors might well have been mollified. But the bad news was just the latest in a string.

In hindsight, it is now clear why Hoechst abruptly canceled its plans a year ago to spin off Hoechst Marion Roussel. The decision angered many at the time because it seemed to lock the "hidden value" of the drug company inside the lower valuation of a chemical company. But now, analysts say that Hoechst Marion Roussel was simply in no



condition to go public at the time.

Mr. Dormann adamantly defends the Marion acquisition. "Marion was never famous for research," he said. "We didn't buy Marion Merrell Dow because it had great products. This was an investment in infrastructure."

More specifically, Marion Merrell Dow had a huge marketing organization in the United States, as well as expertise in shepherding new drugs through the complex FDA approval process.

Aside from pharmaceuticals, the

other pillar of Hoechst's strategy is agricultural products developed through biotechnology. Four years ago, Mr. Dormann merged its various agricultural operations into a 60-40 joint venture with Schering AG that is now called Agrevo.

Based on the Hoechst industrial complex, Agrevo fortified its own research by buying a Dutch biotechnology company called Plant Genetic Systems for about \$600 million. Revenue has climbed steadily, reaching 4 billion DM last year, and profit is up to 194 million DM.

## WORLD STOCK MARKETS

Monday, March 23

Prices in local currencies.

Telex

High Low Close Prev.

Amsterdam

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

High Low Close Prev.

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

High Low Close Prev.

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

High Low Close Prev.

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

High Low Close Prev.

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank

Dutch Bank



## ASIA/PACIFIC

## Tokyo Rejects Calls For Income-Tax Cuts

Compiled by Our Staff From Newspapers

TOKYO — The governing Liberal Democratic Party said Monday it would not include an income-tax reduction in a proposal this week to revive the economy, saying such cuts were not needed to keep the country out of recession.

Party leaders have decided instead to consider expanding the use of construction bonds to pay for public-works projects, the party's secretary-general, Koichi Kato, said. They will discuss extending income-tax cuts and tax-reform efforts at a later date, he said.

Separately, Prime Minister Ryutaro Hashimoto denied that any injection of public funds into Japan's stock market would be aimed at manipulating the country's faltering share prices.

"The use of public funds for stock investment should be looked at in terms of long-term asset allocation," Mr. Hashimoto said, responding to a question at a meeting of the budget committee of the Diet, Japan's Parliament. "It shouldn't be considered from the view of stock-market manipulation by the government."

The business daily Nihon Keizai Shimbun reported Sunday that the government would use as much as 1

trillion yen (\$7.7 billion) in public funds to support the stock market this week in an effort to push up share prices before corporations close their books for the current fiscal year next Tuesday.

The decision not to enact an income-tax reduction is likely to disappoint investors at home as well as other governments, which have called on Japan to cut taxes to spark domestic growth and help lead the rest of Asia out of its economic crisis.

The credibility of Japan's policymakers is "at rock-bottom levels," said Michael Hartnett, an economist at Merrill Lynch (Japan) Inc. Mr. Hartnett and others said permanent income-tax cuts were necessary to stimulate spending. "You've got to get the consumer to believe his income is not going to fall," he said.

The government is reluctant to spend money to bolster growth because it is committed to driving down its budget deficit. But the United States, the European Union and others have called on Tokyo to hold off on its deficit-cutting plans until Japan's economy rebounds from a series of tax increases and public-spending reductions last year

## Finance Company Closed in Seoul

Bloomberg News

SEOUL — First Merchant Banking Corp., a South Korean finance company, was shut down by the government Monday until at least April 30 after failing to raise fresh capital from its biggest shareholders.

First Merchant had a run on deposits after its major shareholder, Shinhan Bank, and others last week refused to buy new shares in a 120 billion won (\$82.8 million) stock sale.

First Merchant shares were suspended. They closed Saturday at 4,450 won, down 50.

Lee Hun Jae, head of South Korea's Financial Supervisory Commission, said this month that the government would shut down financial institutions, even solvent ones, if they failed to meet financial standards.

that sent it into a tailspin.

The Liberal Democrats will unveil their next economic stimulus package Wednesday. It is expected to contain more than 10 trillion yen in public-works spending and cuts in some taxes, such as those on corporate incomes and for families with children under the age of 6.

(AP, Bloomberg)

## Jakarta Raises Key Rates, Bolstering Rupiah by 1.9%

Bloomberg News

JAKARTA — The Indonesian central bank, Bank Indonesia, pushed up interest rates on its benchmark government bills to record levels Monday in an effort to rein in inflation and stabilize the rupiah against the U.S. dollar.

The International Monetary Fund, which has been at odds with President Suharto's government in recent weeks, has urged Indonesia to cut rates for months. The \$40 billion IMF-brokered aid package for Indonesia has been suspended until the two sides come to terms on steps to overhaul the nation's economy.

Also Monday, Indonesia canceled a plan to impose a 5 percent tax on foreign-exchange purchases, just three days after it was announced. Finance Minister Fud Bawazir issued a ministerial decree Friday saying the new tax would be imposed Monday in an effort to curb speculation.

Indonesia failed to consult with the International Monetary Fund about the tax plan beforehand, an IMF official said. The IMF and President Suharto's government discussed it only last weekend.

The interest-rate decision is a step in the right direction for a government that badly needs to win back

investor confidence, investors said. Higher rates will help control inflation at the expense of growth.

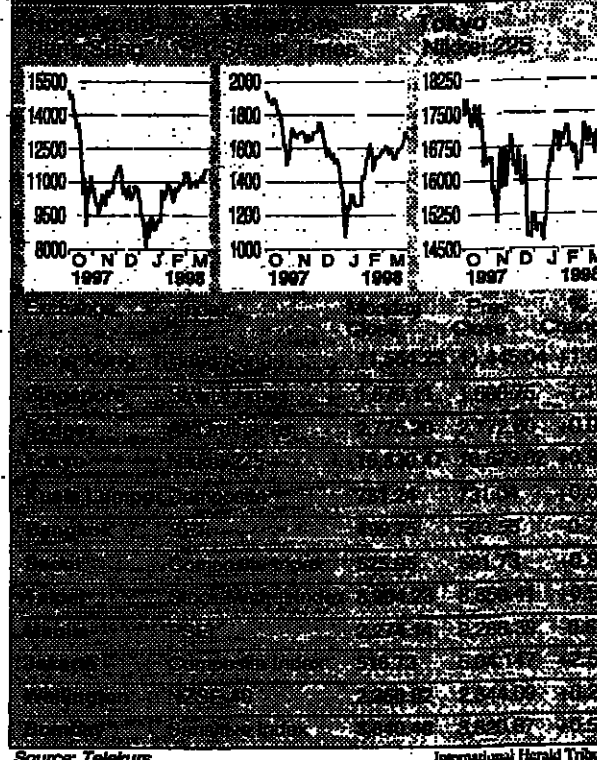
The rupiah rose 1.9 percent to 9,250 rupiah to the dollar, from Friday's Asian close of 9,425.

The one-month SBI government bill rate was raised to 45 percent from 25 percent, while the three-month rate was raised to 30 percent from 19 percent. Indonesian money supply has surged this year as Bank Indonesia extended credit to banks even as inflation accelerated to a 23-year high of 32 percent in February.

The Bank Indonesia governor, Syarifuddin Sabirin, said the government was worried that money-supply growth was throwing fuel on an inflationary fire and called the move Monday a preemptive strike against the problem. He suggested that rates had been too low to put an end to the rupiah's slide; it has lost 74 percent of its value in the past year.

The International Monetary Fund praised the move. "The decision by Bank Indonesia to raise interest rates is welcome as part of the government's strategy to control inflation and strengthen the rupiah," said the IMF director of the Asia Pacific Department, Hubert Neiss. "Further actions can be expected to reinforce these policy objectives."

## Investor's Asia



## Very briefly:

• The Kuala Lumpur Stock Exchange took over the administration of the stockbrokerage Halim Securities Sdn., saying the company had not complied with trading restrictions imposed by the exchange last month. Trading in Halim's controlling stockholder, Uniphonix Corp., is to be suspended Tuesday for an indefinite period.

• Japanese vehicle output continued to slow in February, hobbled by a sluggish domestic market and by flagging export growth as many carmakers sought to shift exports toward Europe. Data from Japan's five big carmakers showed that vehicle sales were down more than 20 percent in February from the same month last year.

• Taiwan Semiconductor Manufacturing Co. does not plan to cut prices even though slowing Asian demand is hurting its rivals, saying its technology is advanced enough to provide competitive strength.

• Daiwa Securities Co. and six of its former executives pleaded guilty to paying 202 million yen (\$1.6 million) to an alleged corporate racketeer.

• Singapore's Tourism Board expects tourism earnings to fall by 1.5 billion Singapore dollars (\$934 million) from the 10 billion dollars posted last year and said some businesses might not survive a second bad tourist season.

• Mitsubishi Corp. and Mitsubishi Oil Co. plan to merge their petroleum-product sales units in July and cut staff to reduce costs.

AP, Bloomberg, Reuters

## Kia Assails Hyundai For 'Hyena'-Like Move

By Don Kirk

International Herald Tribune

SEOUL — Hyundai Motor Co.'s campaign to take over Kia Motors Corp. turned into a bitter battle Monday that illustrated the difficulties of mergers among South Korea's major manufacturers regardless of their dire financial state.

A day after the Hyundai group, South Korea's largest chaebol, or conglomerate, said Hyundai Motor, one of its largest companies, would take over Kia in the near future, Kia Motors attacked Hyundai's plan with the fury of an aggrieved underdog.

Park Je Hyuk, president of Kia Motors, portraying Kia as "the victim of this distorted economic structure," blamed the chaebol in general and Hyundai in particular for attacking Kia "like hyenas."

Kia, in a statement, said the Hyundai plan contradicted "the efforts of the new government to restructure the economy" and ran counter to the promises of the chaebol to streamline.

Kia executives said their group was distinct from other chaebol in that the members of its founding family had long since sold most of their shares and left control in the hands of professional managers.

They argued that Kia, which ranked among South Korea's 10 largest chaebol before it ran into debt trouble last year and subsequently ap-

plied for court receivership, was a relatively small organization of the sort that President Kim Dae Jung promised during his election campaign last autumn to encourage.

"The government says it wants to prevent the chaebol from growing bigger," said Chun Sang Jin, a Kia spokesman. "It makes no sense for Hyundai Motor to swallow up Kia and grow still bigger."

Beneath the bravado, however, ran an undercurrent of pessimism as Kia awaited word on whether a court would approve the group's application for receivership or liquidate its assets.

If the court grants the receivership, as expected, Kia must then renegotiate its debts with its creditors. The government-run Korea Development Bank is expected to take over 35 percent of the shares in Kia Motors as payment of debt. Hyundai executives said Kia Motors, under receivership, would have no choice but to agree to a purchase of a majority of its shares by Hyundai Motor.

Kia's precarious struggle contrasted with the success of the Halla group, South Korea's 12th-largest chaebol, in luring interim financing of \$1 billion from Rothschild Inc. of New York at an interest rate of 12 percent. The deal was announced Monday.

Kia Motors' stock closed at 7,080 won (\$4.87), up 750, or 11.8 percent. Hyundai Motor closed at 23,800, up 100.

THE WORLD  
IS  
MOVING  
AT  
105,441 KM/H.  
KEEP UP

WORLD NEWS on CNN International.

Every hour, on the hour.

30 minutes of up-to-the-minute news from around the world.

If you want to keep up, keep watching.

CNN  
INTERNATIONAL

http://europe.cnn.com  
On Cable and Satellite

## LUXOR INVESTMENT COMPANY

Société d'Investissement à Capital Variable  
10A, Boulevard Royal, LUXEMBOURG  
R.C. Luxembourg B 27.109

## NOTICE OF MEETING

The quorum required by law not having been reached at the Extraordinary General Meeting convened on 28th March, 1998, the shareholders of LUXOR INVESTMENT COMPANY are hereby convened to attend the postponed Extraordinary General Meeting of Shareholders to be held at the Registered Office of the Company, 10A, Boulevard Royal, Luxembourg, on Monday 27th April, 1998 at 11 a.m., for the purpose of considering the following Agenda:

1. To resolve on the liquidation of the Company.
2. To appoint a liquidator and to determine his powers.
3. To suspend the calculation of the net asset value.
4. To suspend all subscriptions and repurchases of shares.
5. To convene an extraordinary general meeting which will rule on the following agenda:
  - (i) To approve the liquidator's report and the statement of liquidation of Luxor Investment Company (in process of being liquidated).
  - (ii) To approve the payment of the creditors and the distribution of the remaining net assets to the shareholders, after payment of the debts.
  - (iii) To appoint an auditor.
  - (iv) To convene an extraordinary general meeting which will rule on the following points:
    - (a) approval of the auditor's report.
    - (b) discharge to be granted to the liquidator, the auditor and the Board of Directors.
    - (c) resolution concerning the final liquidation of the Company.
    - (d) the handing of accounts and company documents.

Resolutions on the agenda of the postponed Extraordinary General Meeting will be adopted if voted by two thirds of the shareholders present or represented, irrespective of the proportion of the outstanding shares which are present or represented at the meeting.

The shareholders on record on the date of the meeting are entitled to vote or give proxies. Proxies should arrive at the Registered Office of the Company not later than twenty-four hours before the meeting.

Proxy forms are available upon request at the registered office. In order to be valid, proxy forms duly completed must be received at the registered office on 24th April, 1998 at 11 a.m. at the latest.

In order to attend the meeting, the owners of bearer shares are required to deposit their shares not less than five clear days before the date of the meeting at the Registered Office.

By order of the Board of Directors.

هكسان الكحل





A prototype of the receivers that Noah Samara, right, plans to sell across the Third World and supply via satellite with international programming.



Doubt Mervin/The Washington Post

## Radio to the World's Masses: A Well-Funded Dream

By Mike Mills  
Washington Post Service

WASHINGTON—Seven years ago, several very wealthy and very private Middle Eastern investors started to put money into a company with an unusual business plan.

Noah Samara, a Washington lawyer, was proposing building a billion-dollar company that would sell a \$200 radio offering 75 channels of digital-quality music and news from around the globe, using three satellites.

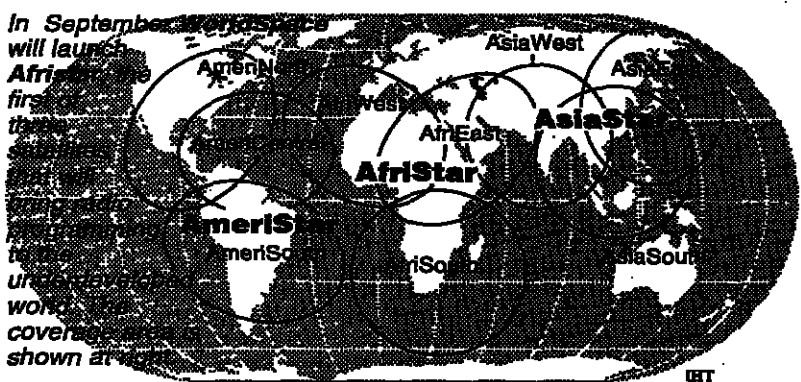
His market would be mostly developing or underdeveloped countries including India, China, much of Africa and parts of the Americas, and his revenue sources would be selling advertising, leasing channels to programmers and possibly selling premium information services by the month.

Despite the risky nature of the plan, his investors have funded him with \$950 million so far. More recently, four large Japanese equipment makers agreed to manufacture the radios by the millions.

Providers of programming, including the business-news executive Michael Bloomberg, the singer Stevie Wonder and dozens of radio stations around the world, are either planning to provide or considering providing content for the service.

In September, Mr. Samara, 42, the founder of WorldSpace Inc., plans to watch the launching of Afristar, the first of three WorldSpace satellites, which is to go into orbit 22,300 miles (35,700 kilometers) above central Africa. The next two, called AsiaStar and AmeriStar, are to be sent to hover over Asia and the Americas next year.

Most of the 4.6 billion people in WorldSpace's future listening area cannot even pick up a nearby radio station. Mr. Samara estimates that 300 million of them will eagerly pay the \$200 for the radio — he predicts the cost will start to head much lower soon. But even if he is



In September, Mr. Samara, 42, the founder of WorldSpace Inc., plans to watch the launching of Afristar, the first of three WorldSpace satellites, which is to go into orbit 22,300 miles (35,700 kilometers) above central Africa. The next two, called AsiaStar and AmeriStar, are to be sent to hover over Asia and the Americas next year.

way off, Mr. Samara says, he needs only 10 million listeners to turn a profit.

"My concern is not whether I can make this a business," said Mr. Samara, who grew up in Ethiopia and Tanzania. "It's how to make it a phenomenon."

Analysts do not seem particularly concerned about WorldSpace's business prospects. Yes, its audience is hardly handpicked by Madison Avenue. Would-be listeners speak dozens of languages, come from widely diverse cultures and typically have low buying power and little access to goods. Even so, many who have studied Mr. Samara's business plan say the sheer scale of his intended audience makes up for those shortcomings.

"WorldSpace," said Thomas Watts, a satellite industry analyst for Merrill Lynch & Co., "serves a very large potential market for consumer products that cannot be reached by any other advertising medium."

Mr. Samara said 20 percent of his satellite capacity already was filled with programs, including Bloomberg News, which is leasing 23 channels. He said he also had met with Mr. Wonder, who owns radio stations and is interested in providing programming to an African audience. Analysts say other big names, such as British Broadcasting Corp. or Voice of America, are likely to join soon after WorldSpace gets its first satellite

up and its business running.

"I think that once he gets any kind of significant penetration," said Leslie Taylor, a Washington-based satellite industry consultant, "even as low as 20,000 to 30,000 users, he's going to start attracting a lot more interest among program suppliers."

Mr. Samara does not view the BBC or Voice of America as crucial anchor programs. Most of his initial potential customers can already get those on short-wave radio. What will excite a mass audience, he said, is being able to hear a radio station 200 miles away, or across the continent.

People in Cape Town would love to hear Senegal's hip Sud FM world-music station regularly, he said, rather than having it syndicated in South Africa only a couple of hours a day. Radio 1 FM, a music and information station in Gambia, also is highly desired by millions outside its range.

WorldSpace also is creating its own radio programming in unprecedented ways. Two pending projects include an all-Swahili station and an Africa-wide radio network, which Mr. Samara described as the first attempt at a continental communications service.

Mr. Samara was a Washington lawyer and worked as a trade negotiator for the International Telecommunications Un-

ion's meetings of the World Administrative Radio Conference, a sort of United Nations for the airwaves that hands out blocks of radio spectrum to nations and businesses. In April 1990, he came up with the idea to launch a satellite over Africa to provide basic radio service. He left the law firm, developed a business plan and met with venture capital contacts he had made along the way.

Now that Mr. Samara is ready to start offering his service, attention is focused on whether he will be able to sell advertising and whether WorldSpace can procure the kinds of programs that people will want to pay for.

But Mr. Samara's concerns go beyond the bottom line. He said he hoped WorldSpace would help plant the seeds of a pan-African consciousness.

"Ten years from now," said Steven Gavens, vice president for commercial operations, "every radio on the continent will have this capacity built into it. It really will feel like the world is in their hands."

## Wall Street to OPEC: We Don't Believe You

Stocks Surge and Oil Prices Slide on Doubts

Compiled by Our Staff From Dispatches

NEW YORK — The U.S. stock market rallied strongly Tuesday as crude-oil prices slipped on doubts that oil producers would honor their pledge to cut production to lift prices.

"People are rethinking whether they always do — say one thing and do another," Joseph Barthel, chief investment strategist at Fidelity & Co., said of the Organization of Petroleum Exporting Countries. "There is disbelief that OPEC has gotten its act together."

Oil prices surged Monday as several of the world's top producers pledged to cut output by as much as 1.6 million barrels a day to lift prices, which had fallen to 10-year lows. On Tuesday, Qatar said it also would cut its oil production, and Iran's oil minister said OPEC would hold an emergency meeting soon to find ways to lift prices.

But some of the producers, notably Venezuela, have a history of producing above their promised amounts, leaving traders wary of the output targets.

"People realized that there's prob-

ably not a genuine cartel and that these people cheat on each other and that this won't hold," said Louis Todd, head of equities trading at J.C. Bradford & Co.

Crude prices backtracked Tuesday, with oil for May delivery falling 59 cents a barrel to close at \$15.92 on the New York Mercantile Exchange. As oil prices slipped back, so did the threat of inflation that sent stocks down Monday.

The Dow Jones industrial average, which fell 90.18 points Monday, closed 88.19 points higher at 8,904.44, just short of a record. The Standard & Poor's 500 index closed 10.10 points higher at 1,105.65. Gaining issues outnumbered losing ones by a 3-to-2 ratio on the New York Stock Exchange.

Where stocks go now depends largely on the performance of corporate earnings, analysts said.

"It's kind of back to normal," said Ted Theodore, director of research at Avatar Associates. "We've still got to get through the first-quarter earnings. That looks like it's going to be a little

See MARKETS, Page 15

## Boeing Can't Catch Up

Compiled by Our Staff From Dispatches

SEATTLE — Boeing Co. said Tuesday that it would miss its delivery goals for the first quarter and that it might have to take an additional charge against first-quarter earnings to account for continuing production problems.

Boeing said it would deliver 110 aircraft in the first quarter, five planes short of its goal of 115 planes.

Ron Woodard, president of Boeing's commercial jet division, said the company had experienced a surge in costly out-of-sequence work on the next-generation 737 in the past month associated with design changes required by U.S. and European regulators.

In October, Boeing disclosed that it would have to take \$2.6 billion in pretax charges against earnings by the end of 1998, the vast majority of which was taken against second-half

earnings of last year.

But the changes demanded by regulators, particularly a new exit door required by Europe's Joint Aviation Authorities, have left 28 of the twin-engine jets sitting outside Boeing's factories awaiting modifications.

"The financial impact of these ongoing production problems," Mr. Woodard said, "is being absorbed by Boeing."

Boeing, the world's largest aircraft maker, reassured investors last month that the assembly-line problems were on their way to being solved. The update shows that Boeing still does not know exactly how much it will cost to take care of the product shortages and behind-schedule work that emerged last fall when it was in the middle of doubling production in 18 months. Those problems contributed to its first annual loss in 50 years.

(Reuters, Bloomberg)

Global Private Banking

RIGOROUS. DISCIPLINED. PRUDENT.  
AND PROUD OF IT.



Headquarters of Republic National Bank of New York (Building) S.A. in Geneva.

At Republic National Bank we run our business according to one fundamental principle: to protect our clients' capital as we safeguard its purchasing power.

It is a simple principle upon which we base our brand of financial conservatism: private banking built upon rigor, discipline and prudence.

This sophisticated conservatism, vigorously pursued, has created a global private

bank of exceptional stability, capable of weathering the roughest storms.

Indeed, Republic's capitalization ratio, on a risk adjusted basis, is twice as great as that required by the world's international banking regulators.

To our way of thinking, it is security as well as return that we must ensure each day. And in the process, to provide a unique quality of service, understanding and discretion.



World Headquarters of Republic National Bank of New York in New York.



Republic National Bank of New York  
Strength. Security. Service.

A Safe Bank • New York • Geneva • London • Hong Kong • Beijing • Beverly Hills • Buenos Aires • Cayman Islands • Copenhagen • Encino • Gibraltar • Gurnsey • Hong Kong • Jakarta • Los Angeles • Lugano • Luxembourg • Manila • Mexico City • Miami • Milan • Monte Carlo • Montevideo • Montreal • Moscow • Nassau • Paris • Punta del Este • Rio de Janeiro • Santiago • Sao Paulo • Singapore • Tokyo • Toronto • Zurich

© Republic National Bank of New York, 1998

## Rupiah Surges as IMF Tensions Ease

Compiled by Our Staff From Dispatches

JAKARTA — The rupiah surged Tuesday as the International Monetary Fund endorsed Indonesia's move to raise interest rates.

The rupiah rose to its highest level in more than a month, with the dollar falling as low as 8,500 rupiah in Asia from 9,250 rupiah, its close there Monday. In New York, the dollar dropped to 8,750 rupiah from 10,100 Monday.

"The IMF and Indonesia seem to be getting closer and improving their relationship," said Jimmy Koh of Independent Economic Analysis (Holdings) Pte. The central bank raised key interest rates an average of 12.7 per-

centage points Monday. The government also scrapped a proposed 5 percent tax on foreign-currency purchases after consultations with the IMF.

Finance Minister Fuad Bawazir said Tuesday that Indonesia was close to a comprehensive package of measures to lift the country out of its worst economic crisis in three decades. He said the government was completing the plan in talks with the IMF.

"Let us wait to conclude the talks," he said. "It's a very comprehensive package, very wide, touching on macro- and microeconomic issues."

A successful conclusion of the talks, which include a review of reforms that

Jakarta agreed to in exchange for \$40 billion in aid from the IMF, would bring much-needed revenue, as the Fund has withheld a \$3 billion tranche of the aid. A total of \$2.5 billion from the World Bank and the Asian Development Bank also would be released.

Diplomatic and political analysts said relations between Jakarta and the Fund warmed appreciably in recent days after a period of strain. Indonesia appeared to be back on an IMF-approved track of reform and had won some concessions from the Fund, they said, including permission to continue subsidies on essential commodities.

(Bloomberg, Reuters)

## CURRENCY & INTEREST RATES

Cross Rates									
	\$	£	DM	FF	Li	JP	Y	CS	Peru
Amersterdam	2.005	1.645	1.120	0.330	0.114	—	1.402	1.303	1.328
Bombay	37.75	63.17	30.025	6.156	2.095	18.35	—	20.31	0.289
Frankfurt	1.892	1.206	—	0.298	0.101	0.084	—	1.207	1.177
London (U)	1.637	—	—	0.363	0.127	0.094	—	0.289	0.289
Mumbai	15.803	29.641	14.517	3.362	0.421	25.59	—	11.118	0.185
Paris	1.804	1.071	—	0.315	0.103	0.084	—	1.207	1.177
New York (D)	—	1.652	1.022	0.330	0.114	—	—	1.402	1.303
Puerto	1.129	1.031	1.031	—	0.304	0.099	—	1.140	0.289
Taipei	1.215	70.17	7.12	0.23	0.075	0.05	—	11.118	0.185
Tokyo	1.63	1.275	0.777	0.274	0.098	0.08	—	0.289	0.289
Zurich	1.405	2.446	0.811	0.242	0.082	0.072	—	1.207	1.177
1 BCU	1.047	1.047	1.047	1.047	1.047	1.047	—	1.047	1.047
1 SDR	1.203	1.899	2.408	0.238	0.084	0.072	—	1.207	1.177
Changes in Amsterdam, London, Paris and Zurich, Tokyo in other currencies New York rates at 4 P.M. and Toronto rates at 3 P.M.									
a. To buy one pound: b. To buy one dollar: Units of 100 M.C. not quoted N.A.: not available.									
Other Dollar Values									
Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$
Argentine peso	0.0098	Green drach	200.09	Mex. peso	0.0521	S. Afr. rand	4.9245	Thai baht	20.50
Australian \$	1.4999	Hong Kong \$	7.7471	N. Zealand \$	1.7734	S. Kor. won	175.00	Turkish lra	2.3665
Austrian sch.	13.843	Indon. rupiah	211.43	Norw. krona	7.5524	Sing. dollar	1.3678	U.S. dollar	1.0000
Brazil real	1.1342	Indon. rupiah	39.515	Phil. peso	37.25	Taiwan \$	22.45	U.S. dollar	1.0000
Chinese yuan	0.0791	Indon. rupiah	0.0010	Polish zloty	3.2000	Thai baht	20.50	U.S. dollar	1.0000
Czech koruna	24.009	Indon. rupiah	0.0010	Port. escudo	166.67	Turkish lra	2.3665	U.S. dollar	1.0000
Danish krone	6.9417	Indon. rupiah	3.0000	Russ ruble	6.092	UAE dirham	3.6715	U.S. dollar	1.0000
East German mark	2.4017	Indon. rupiah	0.0010	Saudi riyal	2.2500	Viet. dong	222.75	U.S. dollar	1.0000
Fin. markka	5.5412	Indon. rupiah	3.0000	Sing. dollar	1.3678	—	—	—	—
Forward Rates									
Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day	Currency	30-day
Pound Sterling	1.6705	1.6679	1.6637	Japanese yen	129.59	129.01	128.48	Canadian dollar	1.4101
Swiss franc	1.4101	1.4171	1.4232	Swiss franc	1.4232	1.4275	1.4324	—	—
—	1.4240	1.4306	1.4374	—	—	—	—	—	—
Source: ING Bank (Amsterdam); Citicorp (New York); Deutsche Bank (Frankfurt); BNP Paribas (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.									



NASDAQ

**Monday's 4 P.M.**  
The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.  
The Associated Press.

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	IBM	4.8	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	Microsoft	3.2	18.0	110.00	108.00	109.00	+1.00
12.00	11.50	Oracle	3.5	16.0	110.00	108.00	109.00	+1.00
12.00	11.50	Sun Microsystems	3.0	17.0	110.00	108.00	109.00	+1.00
12.00	11.50	HP	3.8	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Motorola	3.1	16.0	110.00	108.00	109.00	+1.00
12.00	11.50	Intel	3.4	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	Cisco	3.6	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Verizon	3.3	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	AT&T	3.7	14.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	Amazon	2.5	18.0	110.00	108.00	109.00	+1.00
12.00	11.50	Google	2.8	17.0	110.00	108.00	109.00	+1.00
12.00	11.50	Yahoo	2.6	16.0	110.00	108.00	109.00	+1.00
12.00	11.50	Comcast	2.9	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	Time Warner	3.0	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	News Corp	3.1	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Disney	3.2	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Walt Disney	3.3	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Warner Bros	3.4	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	Paramount	3.5	9.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	Netflix	2.7	17.0	110.00	108.00	109.00	+1.00
12.00	11.50	Blockbuster	2.8	16.0	110.00	108.00	109.00	+1.00
12.00	11.50	Home Depot	2.9	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lowes	3.0	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Walmart	3.1	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Kroger	3.2	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Target	3.3	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Walgreens	3.4	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	CVS	3.5	9.0	110.00	108.00	109.00	+1.00
12.00	11.50	Wal-Mart	3.6	8.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	United Therapeutics	3.7	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Novartis	3.8	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Pfizer	3.9	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Merck	4.0	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Roche	4.1	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	Schering-Plough	4.2	9.0	110.00	108.00	109.00	+1.00
12.00	11.50	Abbott	4.3	8.0	110.00	108.00	109.00	+1.00
12.00	11.50	Amgen	4.4	7.0	110.00	108.00	109.00	+1.00
12.00	11.50	Genentech	4.5	6.0	110.00	108.00	109.00	+1.00
12.00	11.50	Regeneron	4.6	5.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	Boeing	4.7	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	4.8	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Northrop Grumman	4.9	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Raytheon	5.0	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Boeing	5.1	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	5.2	9.0	110.00	108.00	109.00	+1.00
12.00	11.50	Northrop Grumman	5.3	8.0	110.00	108.00	109.00	+1.00
12.00	11.50	Raytheon	5.4	7.0	110.00	108.00	109.00	+1.00
12.00	11.50	Boeing	5.5	6.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	5.6	5.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	Boeing	5.7	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	5.8	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Northrop Grumman	5.9	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Raytheon	6.0	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Boeing	6.1	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	6.2	9.0	110.00	108.00	109.00	+1.00
12.00	11.50	Northrop Grumman	6.3	8.0	110.00	108.00	109.00	+1.00
12.00	11.50	Raytheon	6.4	7.0	110.00	108.00	109.00	+1.00
12.00	11.50	Boeing	6.5	6.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	6.6	5.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	Boeing	6.7	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	6.8	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Northrop Grumman	6.9	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Raytheon	7.0	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Boeing	7.1	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	7.2	9.0	110.00	108.00	109.00	+1.00
12.00	11.50	Northrop Grumman	7.3	8.0	110.00	108.00	109.00	+1.00
12.00	11.50	Raytheon	7.4	7.0	110.00	108.00	109.00	+1.00
12.00	11.50	Boeing	7.5	6.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lockheed Martin	7.6	5.0	110.00	108.00	109.00	+1.00

**NYSE**  
**Monday's 4 P.M. Close**  
(Continued)

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	IBM	4.8	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	Microsoft	3.2	18.0	110.00	108.00	109.00	+1.00
12.00	11.50	Oracle	3.5	16.0	110.00	108.00	109.00	+1.00
12.00	11.50	Sun Microsystems	3.0	17.0	110.00	108.00	109.00	+1.00
12.00	11.50	HP	3.8	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Motorola	3.1	16.0	110.00	108.00	109.00	+1.00
12.00	11.50	Intel	3.4	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	Cisco	3.6	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Verizon	3.3	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	AT&T	3.7	14.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	Amazon	2.5	18.0	110.00	108.00	109.00	+1.00
12.00	11.50	Google	2.8	17.0	110.00	108.00	109.00	+1.00
12.00	11.50	Yahoo	2.6	16.0	110.00	108.00	109.00	+1.00
12.00	11.50	Comcast	2.9	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	Time Warner	3.0	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	News Corp	3.1	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Disney	3.2	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Walt Disney	3.3	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Warner Bros	3.4	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	Paramount	3.5	9.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	Netflix	2.7	17.0	110.00	108.00	109.00	+1.00
12.00	11.50	Blockbuster	2.8	16.0	110.00	108.00	109.00	+1.00
12.00	11.50	Home Depot	2.9	15.0	110.00	108.00	109.00	+1.00
12.00	11.50	Lowes	3.0	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Walmart	3.1	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Kroger	3.2	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Target	3.3	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Walgreens	3.4	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	CVS	3.5	9.0	110.00	108.00	109.00	+1.00
12.00	11.50	Wal-Mart	3.6	8.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
12.00	11.50	United Therapeutics	3.7	14.0	110.00	108.00	109.00	+1.00
12.00	11.50	Novartis	3.8	13.0	110.00	108.00	109.00	+1.00
12.00	11.50	Pfizer	3.9	12.0	110.00	108.00	109.00	+1.00
12.00	11.50	Merck	4.0	11.0	110.00	108.00	109.00	+1.00
12.00	11.50	Roche	4.1	10.0	110.00	108.00	109.00	+1.00
12.00	11.50	Schering-Plough	4.2	9.0	110.00	108.00	109.00	+1.00
12.00	11.50	Abbott	4.3	8.0	110.00	108.00	109.00	+1.00
12.00	11.50	Amgen	4.4	7.0	110.00	108.00	109.00	+1.00
12.00	11.50	Genentech	4.5	6.0	110.00	108.00	109.00	+1.00
12.00	11.50	Regeneron	4.6	5.0	110.00	108.00	109.00	+1.00

12 Month High	Low	Stock	Div Yld	PE	100 High	Low	Latest	Chg
244 1/8	189 1/8	TEARF	2.44	13.2	510	189 1/8	189 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TECH	1.75	13.2	510	135 1/8	135 1/8	+1 1/8
175 1/8	135 1/8	TE						



## Advertisement

March 23, 1998

**For information on how to list your fund, fax Katy Hourli at (33-1) 41 43 82 12 or E-mail : [funds@int.com](mailto:funds@int.com)  
To receive free daily quotations for your funds by E-mail : subscribe at [e-funds@int.com](mailto:e-funds@int.com)**

[illegible]

The data in this table is the data supplied by the fund groups to Microcap SA. It is collected and reformatted into the list below being transmitted to the IFT. Microcap and the IFT do not warrant the quality or accuracy of the list, the date of the performance of lists of the Fund Groups and will not be liable for the list, the data of the Fund Groups, or the data of the IFT. Microcap and the IFT do not offer for the IFT or Microcap to sell securities or investments of any kind. Investments can fall as well as rise. Past performance does not guarantee future success. It is advisable to seek advice from a qualified independent advisor before investing.

**AS - Australian Dollars; AS - Austrian Schillings; BF - Belgian Francs; CS - Canadian Dollars; DEM - Deutsche Marks; DE - Danish Kroner; D - Dutch Guilders; F - French Francs; FF - French Francs; FL - Flemish Mark; FL - Dutch Guilder; IDR - Indonesian Rupiah; L - Italian Lire; LP - Luxembourg Franc; P - Swiss Franc; S - Swedish Kronor; SF - Swiss Francs; T - Thai Baht; T - Thai Baht; Y - Yen**

a - asked ; O - Offered; M.A. - Not Available;  
N.C. - Not Committed; N.R. - New;  
S - Sold; S.O. - Special Order;  
Bx-FC - Offer Price incl. 6% probab. charge;  
P - Price exclusive; ~Amsterdam exchange;  
e - estimated market; s - sold registered with  
exchange; n - not registered with exchange;  
pr. = Estimated price; y - price calculated 2  
days prior to publication; z - bid price.

The marginal symbols indicate frequency of quotations supplied: (0) - daily; (w) - weekly; (M) - monthly; (Q) - quarterly; (y) - yearly;



## WORLD ROUNDUP

### Cup Ticket Battle

**SOCCER** World Cup organizers on Monday refused to reserve the remaining tickets for the soccer finals for foreigners only, and the European Union said it would start a legal battle to get those seats filled with non-French fans.

The executive commission of the 15-nation EU said Monday that it could fine the CFC World Cup organizing committee as much as 10 percent of all its sales for the June 10-July 12 finals if no change in ticket allocation is made. (Reuters)

### A Test to Remember

**CRICKET** The 1998 Newlands test between South Africa and Sri Lanka will always be remembered as Makhaya Ntini's match. The 20-year-old fast bowler had the final say, yorking Pramodya Wickremasinghe to dismiss Sri Lanka for 306 in their second innings on Monday and clinch South Africa's 70-run victory — but his impact on the game was always going to be more symbolic than practical.

As the first black cricketer to represent South Africa in a test, Ntini's mere presence on the Newlands pitch in Cape Town ensured he was never far from the spotlight. Only by selecting a black could a traditionally white sport claim to have truly embraced racial equality.

After his call-up, Ntini finished with match figures of two for 74 from 15.3 overs and has yet to be dismissed in test cricket. (Reuters)

### Agassi Keeps Rolling

**TENNIS** Andre Agassi is climbing so fast in the ATP Tour rankings that he blew out a shoe. The mishap forced Agassi to change Nikes during his third-round match Sunday at the Lipton Championships in Key Biscayne, Florida.

"We had a long point, and my shoe slid and wore out the rubber and tore it open," he said, adding, "These are good shoes." There were no other mishaps by Agassi, who beat Vince Spadea, 6-4, 7-5, and improved to 21-3 this year. His ranking has climbed from 141st last year to 31st. (AP)



Andre Agassi, signing, is moving up fast in the rankings.



Ernie Els winning in sizzling style, just three weeks before the Masters.

## Els Cakewalks in Florida

Woods and Love Fade Fast in 2-Round Finale

By Clifton Brown  
New York Times Service

ORLANDO, Florida — Ernie Els never expected victory to come so easily. He got up on Sunday facing a 36-hole showdown with Tiger Woods and Davis Love III, two of the world's best. Els expected a battle. It was a breeze.

Making a strong statement just three weeks before the Masters, Els left Woods and Love in his wake and captured the Bay Hill Invitational in convincing fashion, winning by 4 strokes over Jeff Maggert and Bob Estes. Els finished with a 14-under-par total of 274 to take the winner's share of \$360,000.

After shooting a third-round 65 in the morning, Els entered the final round with a 5-stroke lead, at 15 under par. He shot a one-over-par 73 in his afternoon round, and Maggert and Estes, though playing well, never seriously threatened.

While Els soared, Love and Woods struggled. After starting the day tied for the lead at 10 under par — two strokes ahead of Els — Love and Woods en-

dured 36 holes of misery. Woods shot a 73 in the morning and a 77 in the afternoon to finish tied for 13th place at 284. Love was even worse, shooting a 75 in the morning, followed by a 76 to finish at 285, tied for 17th place.

Els, a two-time U.S. Open champion, proved that he is a formidable opponent when faced with a big challenge.

Asked whether he felt a rivalry with Woods, Els said: "I'm probably going to feel it a lot more now. It's good for golf. It's not myself and Tiger. It's Davis Love. It's Phil Mickelson. It's Justin Leonard. David Duval. There's so many guys, and golf is really healthy at the moment."

The victory brought a sense of redemption for Els, who had a final-round nightmare at the Johnnie Walker Classic in Thailand in January. He lost a five-stroke lead in the final round, with Woods coming from eight strokes back to win.

"I don't want to say it was revenge or that kind of thing," Els said, "but when you lose a tournament like that, I don't think it's something you ever forget. It was really tough."

## Count 'Em: That's 18 For Daly on One Hole

The Associated Press

ORLANDO, Florida — Seven mighty swings. Six splashes. One plugged lie in the hazard. One 6-iron off the rocks. One bunker. Two puts.

Making an 18 on one hole isn't so hard to explain. Just ask John Daly, who had some explaining to do Sunday afternoon after an 18 on the 543-yard sixth hole at the Bay Hill Invitational.

"Driver in the water, 3-wood in the water, 3-wood in the water, 3-wood in the water," he said. "How many was it, anyway?"

After his first drive went in the lake, he moved to the forward tees and tried to cut off even more of the dogleg, a shot of about 300 yards. "He annihilated it," said Paul Goydos, who had the task of keeping Daly's card. "It was right on line, it just didn't carry." So Daly kept trying.

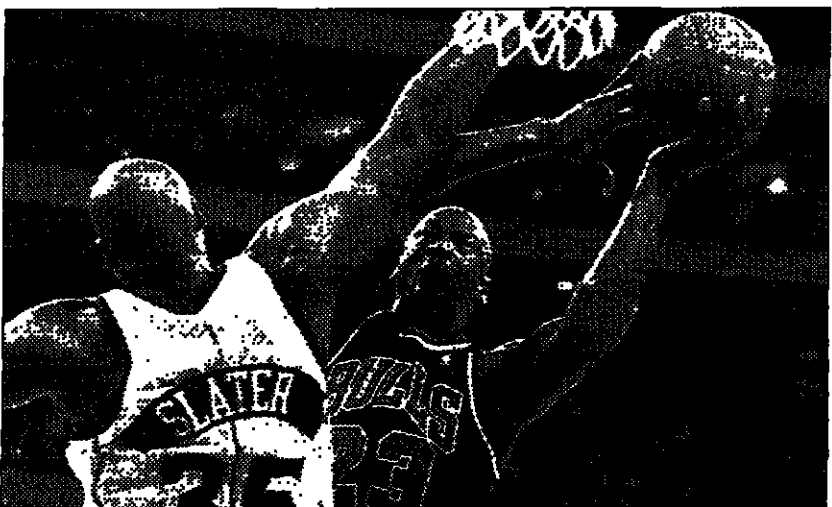
After the third ball in the water, the gallery started yelling, "Tin Cup," the movie about a driving-range owner who has a chance to win the U.S. Open before hitting one ball after another into the pond on the 18th hole.



John Daly signing autographs after a round he'd rather forget.

Daly finally cleared the water on his seventh shot, but it plugged in the hazard. He took a drop, and his 6-iron into the green landed in the rocks and ricocheted into a bunker. He blasted out and two-putted for an 18.

After starting the hole 2 under par for the tournament, he walked off 11 over. Amazingly, Daly made par on the next hole, and he shot a 49 on the front side and a 36 on the back side for an 85.



Michael Jordan of the Bulls trying to score in the first half in Toronto.

## Jordan Makes His Point(s) As Bulls Beat the Raptors

The Associated Press

Only Michael Jordan can say whether he will stay with the Chicago Bulls next season. There's no question, though, about what he means to them now.

Jordan shook loose and hit a short jump shot with 5.4 seconds left Sunday, giving the Bulls a 102-100 victory over the Toronto Raptors.

Jordan finished with 33 points. The win improved Chicago to 51-17, the best record in the league.

"I might have shuffled my feet a little bit, but I got a good look," Jordan said. "I

Garden. The Jazz won for the 13th time in 14 games.

Lakers 96, Kings 93 Shaquille O'Neal had 33 points and 13 rebounds and Kobe Bryant hit four foul shots in the last 34 seconds to lift Los Angeles as Sacramento lost its seventh in a row.

The visiting Lakers trailed by 14 points in the third quarter before rallying for their ninth win in 10 games.

Pistons 108, Hawks 99 Grant Hill's 24 points and 11 assists helped host Detroit defeat Atlanta.

Joe Dumars added 16 points, including nine in a fourth-quarter burst. Don Reid blocked four shots, two of them dunk attempts by Dikembe Mutombo.

Heat 112, Trail Blazers 90 Mark Strickland scored a career-high 23 points off the bench on 11-of-14 shooting as Miami won at home.

Celtics 108, 76ers 90 Boston stopped its season-high six-game losing streak behind Dana Barros's 27 points, nine assists and nine rebounds.

Antoine Walker added 25 points and 10 rebounds for the host Celtics.

Theo Ratliff scored 27 points and Allen Iverson had 21 for Philadelphia.

Nets 92, Warriors 83 Derek Stangor, a reserve, had 18 points and 12 rebounds as Orlando sent visiting Golden State to its sixth straight loss.

Pacers 96, Pistons 94 Reggie Miller scored 32 points as Indiana handed host Milwaukee its ninth straight defeat. Rick Smith had 15 points and seven rebounds, including a late three-point play for the Pacers.

Suns 93, Bulls 83 Tim Duncan's 26 points and 21 rebounds, and David Robinson's 17 points and 16 rebounds, sent host San Antonio past Phoenix.

## Rangers Spin Their Wheels

The Associated Press

The battle for the National Hockey League's top record appears to be going right down to the wire. The battle for the eighth and final playoff spot in the Eastern Conference may not materialize.

The New York Rangers had a chance

### NHL Roundup

to pick up some ground on the Ottawa Senators for a playoff berth with two games over the weekend, but lost both — by 4-3 to Detroit on Saturday and by 5-4 in overtime to Philadelphia on Sunday.

Although the Senators lost, 5-2, to Anaheim on Sunday, they still hold a five-point lead over the Rangers for the first spot.

Mighty Ducks 5, Senators 2 Teemu Selanne scored three goals and Mikhail

Shtalenkov blocked 51 shots to lead visiting Anaheim over Ottawa.

Stars 9, Penguins 6 In a battle of tight-checking division leaders, Dallas, the host, and Pittsburgh played the sixth scoreless NHL tie this season, a record.

Blackhawks 1, Bruins 0 Jeff Hackett stopped 26 shots for his second straight shutout — and eighth of the season — as Chicago defeated visiting Boston.

Islanders 3, Oilers 1 At Edmonton, Trevor Linden scored twice in the late stages of the third period, and the Islanders ended a six-game winless slump with a victory over the Oilers.

Coyotes 3, Sharks 1 Rick Tocchet and Cliff Ronning each had a goal as the Coyotes beat the visiting Sharks.

Flames 5, Blues 3 Jarome Iginla scored his first goal in over two months and added an assist to lead host Calgary.

## Citing Economics and Latin Talent, Baseball Looks South

By Murray Chass  
New York Times Service

**NEW YORK** — Sandy Alomar Jr. hits a home run to win last summer's All-Star Game. Edgar Renteria drives in the winning run in the 11th inning of the seventh game of the World Series last October. Pedro Martinez is voted the National League's best pitcher for 1997, later becoming the highest-paid player in baseball history.

Baseball has long had its share of Latin players, even stars, but the recent dominance of an increasing number of Latin players has led the sport to redirect its search for future talent.

Teams are mining the fields of Latin America, from San Pedro de Macoris in the Dominican Republic to Maracaibo in Venezuela, in a hunt for teenage players that is driven by two facts: The talent in the United States is dwindling and the cost of signing American players is skyrocketing.

Players from outside the United States, Puerto Rico and Canada are not subject to the amateur draft and can typically be signed for a fraction of the cost of American players. Already, there are twice as many Latin American players in the major leagues as there were 20 years ago — 184, or 16 percent of all major leaguers.

Thus baseball, not unlike other industries looking to foreign countries for a cheaper way of doing business, is embarked on an effort that could fundamentally alter both the economics and the face of the game.

For the first time, all 30 clubs have development personnel in the Dominican Republic — from a single scout to sophisticated training academies — and roughly half have similar operations in Venezuela. Clubs have also engaged in blanket signings, writing checks for dozens of young players for as little as \$2,000 each. The Baltimore Orioles, in a move of strategy and symbolism, have shifted several scouts from New England to the Dominican Republic and

range of policy violations and concerns. Players as young as 14 are lying about their ages to sign contracts, sometimes with the complicity of the clubs. The often tiny bonuses given to young Latin players have produced cries of exploitation. Eager for their own cut, American agents have moved in to negotiate better deals for the players, and in the process have angered local Latin officials who believe they have been a thriving, if imperfect, baseball economy.

Cuba, too, is producing players for the majors, although their route to professional American baseball is far different and dangerous. Four Cuban ball players and a coach are now in a detention center near Nassau, the Bahamas, after having defected by sea, and an international effort to release them is under way.

"There are players there and we want to get the best players," said Randy Smith, the general manager of the Detroit Tigers, speaking of Latin America.

"Baseball is still the No. 1 sport in the U.S.," Pablo Peguero, general manager of the Dominican baseball academy owned by the Los Angeles Dodgers, said cost savings were as appealing as the talent.

"Everybody, as a matter of standard business practice, tries to make as small an investment as possible," Peguero said. "It's not just baseball. But I'll tell you, the best raw material anywhere in the world is here in the Dominican Republic."

In the Dominican Republic, baseball is a part of life's fabric. Children play it with cardboard gloves in sugar cane fields. Those who make it to the big leagues are followed as heroes, and the riches they reap are dreamed of by thousands of aspiring shortstops and pitchers.

"You can't go past any open space there without seeing kids playing, even if it's with a broomstick and a ball wrapped with tape," Sandy Johnson, an official with the Arizona Diamondbacks, said of the Dominican Republic.

football or something else.

"I haven't seen a Dominican player on a skateboard yet," said Doug Melvin, general manager of the Texas Rangers.

Thus baseball has set up shop in the Dominican Republic to find, purchase and develop these players. Venezuela and the Dominican Republic are filled with academies — baseball complexes with dormitories — although some are of much greater quality than others. For \$250,000 to \$500,000 annually, the teams with academies can develop youngsters into major leaguers, working on their skills, the English language and North American culture.

**THE LOS ANGELES** Dodgers operate the most successful Latin academy, a 70-acre (28-hectare) facility known as Campo Las Palmas in Guerra, just outside Santo Domingo. Roughly 100 players live at the complex, which has two full-size fields, two practice fields, batting cages, exercise machines, dormitories and a spacious dining room. Peguero said 13 percent of the youngsters who have come through the academy have reached the major leagues, including the Dodgers' Ramon Martinez and Raul Mondesi.

But organizations get by with much more bare-bones operations. At the St. Louis Cardinals' facility, the accommodations are spartan and players sleep on beds that rest on cinder blocks. Still, applicants, weighing the conditions against working in sugar cane fields or flooding the facilities.

"If there's no competition for a player, you don't have to pay him," said Chuck LaMar, general manager of the Tampa Bay Devil Rays. "A kid in the U.S. has options. He can go to a two-year college or a four-year college or he can sign. The more options a kid has the more money you have to pay him."

Still, there are scores of Americans, either undrafted or taken in the later rounds who sign for four-figure ba-

Pedro Osuna, a young shortstop at the Cardinals' camp, laid out the equation bluntly. "Here you get to eat every day," he said. "That's not always the case at home."

For the clubs, the training facilities, in addition to providing financial practical way of developing hundreds of players a year, are vital because even many of the most gifted Dominican players suffer from a lack of proper nutrition and a shortage of fundamental skills.

"You're taking these kids on as raw material," said Omar Minaya, a former Dominican scout who, as assistant general manager for the New York Mets, is now the highest-ranking Latin American executive in baseball.

"You have to invest money in teaching them how to run, the proper way to throw, plays to make."

The difficulty, then, in being able to accurately predict a Dominican player's long-term potential places an added premium on signing lots of players at low prices. Mel Rojas, a \$4.5 million-a-year relief pitcher for the Mets, had only a 78-mile-an-hour fastball when he signed as a youth. "He never would have been signed in the U.S. throwing 78," Minaya said.

**THE BEST** of the Latin prospects, even those signed at 16, can be sent to play in low-level minor leagues in the United States soon after they are under contract. Others can remain in their countries playing in summer leagues for years before they are promoted or let go.

The move to sign scores of young Latin players has raised questions about whether they risk greater incidence of injury. Major League Baseball is concerned enough, said Bill Murray, the sport's director of operations, that it has begun a long-term study of patterns in how Latin players have fared in recent years.

And thus it remains to be seen how much the clubs will be willing to invest

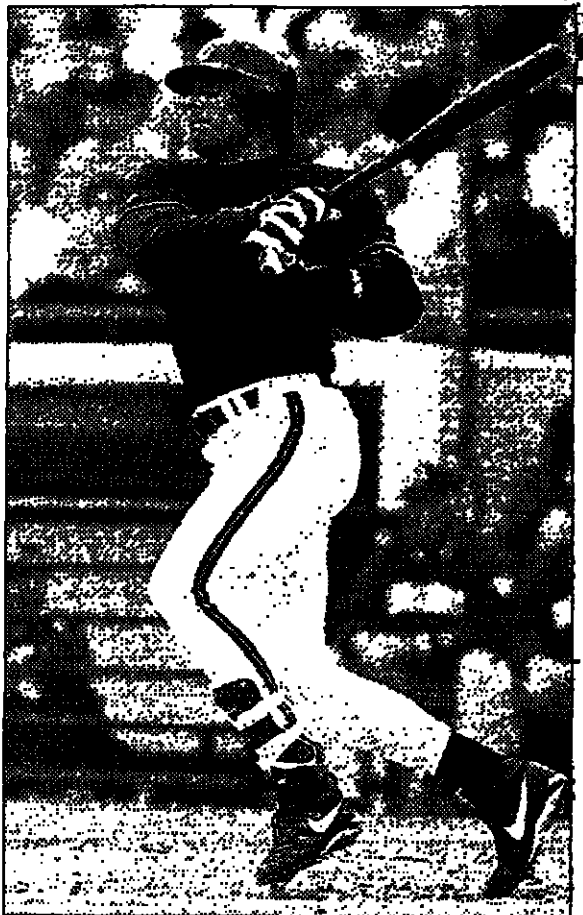
with linguistic skills and survival skills as well as personal development. The industry has to adopt a program.

For now, though, baseball will continue to grab as much talent as it can in Latin America. Chuck LaMar said, "You're going to see more and more money spent by major league organizations in the scouting and developing of those players."

Money is at the root of the pursuit of foreign talent — a drive that has taken scouts to Asia and Australia but that is most intensely focused on Latin America. Some clubs, such as the Dodgers and the Toronto Blue Jays, have been a presence in Latin countries for years, but others began heading there after deciding they were spending too much money for too little return.

The average cost of signing a first-round draft choice — American, Canadian or Puerto Rican players tend to be represented by agents — has increased sevenfold since 1989. The player who cost \$170,000 to sign in 1989 now costs \$1.3 million. Under the draft, instituted in 1966, teams cannot sign players until they graduate from high school, when they are 17 or 18 years old.

The American investments can wind up busts. For example, the top three picks in the 1991 draft of amateur players cost the New York Yankees (Brian Taylor), the Atlanta Braves (Mike Kelly)



Sluggo Jose Canseco, a native of Havana, batting in a run for the Blue Jays in an exhibition game.

"People realize that for the same amount of money they're signing a first-round pick here, they could sign virtually 100 players or 50 players and bring them to their complexes in the Dominican and develop them inexpensively," said Fernando Cuza, an agent whose Chicago firm hired him to represent professional Latin players.

The dividends of such wholesale signings can be striking. A year ago the Baltimore Orioles had seven young Dominican players on their 40-man roster at a total cost of \$7,000 to sign.

Cats Wi

icious Kent

By Thomas Geary

PETERSBURG Fla

no one could beat K

and dish to simply

1997. It had been

and furnished the

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final

the final



SPORTS

# 'Cats Win a Wild One

Tenacious Kentucky Overtakes Duke, 86-84

By Thomas George  
New York Times Service

ST. PETERSBURG, Fla. — At halftime, no one could beat Kentucky in its mad dash to simply get off the floor.

Kentucky (33-4) had been embarrassed by Duke. It had been boxed in and then boxed out, pressured inside and then outside, had fumbled the ball away and shot the shots that were more than a second off.

But after the final buzzer sounded Sunday, no one could get Kentucky off the floor. There was Tabby Smith in the middle of his play, jumping up and down, chanting, a 46-year-old man acting like a 6-year-old boy.

There was Jamaal Magloire, a Kentucky center, stepping onto a press table and offering a light-hearted two-step shuffle.

Finally, the nets were cut and the lights were dimmed in Tropicana Field, and all that remained were memories.

Memories of one bubbly, heroic comeback, an 86-84 Kentucky victory over Duke in the South Regional of the NCAA tournament before 40,589 enraptured fans.

A victory for Kentucky that came after it had trailed in the first half by as many as 18 points. A victory that put Kentucky into the Final Four in a semi-final game against Stanford. (Utah and North Carolina meet in the other semi-final.) A victory that provided payback.

Six years ago, Duke toppled Kentucky in overtime in a classic regional final that featured the long pass and the Christian Laettner turnaround jumper. This time, Kentucky got to stick the

final piercing dagger.

After guard Cameron Mills made a 3-pointer with 2 minutes 15 seconds left to give Kentucky its first lead, 80-79, forward Roshown McLeod hit two free throws to put Duke back on top.

Kentucky's Jeff Sheppard hit a free throw — it was an 81-81 game now — and there were 39.4 seconds left when Kentucky's Scott Padgett launched another 3-point shot.

"We set the pick out high, and their guys seemed to sag in on Wayne Turner's penetration," Padgett said. "I decided that since most of the defense was inside, the shot to take was outside. I feel confident in my 3-point shooting."

And he scored.

That was the shot that dumped Duke (32-4) in a game in which it trailed until the final two minutes. Duke's lead was in double digits — 71-60 — with 8:41 remaining.

Kentucky just kept chipping away.

"That is a team that kept their poise," Duke freshman forward Shane Battier said. "Very seldom do you find that type of nerves."

"They got a lot of points from the free-throw line and a lot of second shots," Battier added. "Those were things we wanted to prevent. And then, we had a couple of shots, late, that usually go in for us that didn't. In this tournament, no lead is big enough."

Kentucky won in rebounding (45-39) and limited Duke to 33.3 percent floor shooting in the second half, much worse than the Blue Devils' 54.8 percent in the first half.

"We wanted them to be one-and-done on offense," Duke guard Trajan Langdon said. "But they came back from 18 points down by getting second chances



Kentucky Wildcats players celebrating after beating Duke. The victory advanced Kentucky into a Final Four semifinal game against Stanford.

and by showing no fear. I kept looking in their eyes during our big runs to see if they were scared. They weren't scared.

Most teams fold, down 18 points.

"Our offense did not help our defense during their comeback because of rushed, quick shots we made. That helped up their spirits a bit in the comeback. You saw what happened. That is a team that doesn't believe it can lose."

Kentucky looked to be in trouble in the first half. It kept missing and Duke kept hitting. Duke's extended defense kept Kentucky's 3-point shooting in check and its low-post offense left the 6-foot-10-inch center Nazr Mohammed controlled.

But in the second half, with Turner, the dazzling quick Kentucky point guard, penetrating and dishing and keeping it sometimes for himself, with the Kentucky defense on its toes, Duke's lead wilted.

"Those guys had a stretch there, too, where they just didn't miss," Duke coach Mike Krzyzewski said. "They had a shooting spree where four guys got hot for three. Our kids played their hearts out for 40 minutes. I feel badly for

our guys because they've been amazing all year. I love my team. I love them even more after today. This is a loss that hurts."

"But Kentucky has great kids," Krzyzewski added. "They have amazing camaraderie. Not one kid made any big plays. It was the whole team. We knew they would come back. They wouldn't have won it if they weren't together like they were."

The game was as close as they get. Each team featured five players who scored in double figures.

Each team made 29 field goals. Kentucky made nine 3-pointers, while Duke made 10. Kentucky earned 16 offensive rebounds, Duke 17. Kentucky had 14 assists; so did Duke.

For Kentucky, this will be the third consecutive Final Four appearance. The team is now on an 11-game winning streak and has won 15 of its last 16 tournament games.

For Krzyzewski, it was his first loss in a regional final. He entered this one at 7-0, intent on reaching his eighth Final Four. Instead, Smith, the Kentucky coach, earned his first.

# Stanford's 2-Minute Rush Bumps Out Rhode Island

By Timothy W. Smith  
New York Times Service

ST. LOUIS — Thank goodness for videotape. Otherwise, Stanford might never know how it pulled off a stunning 79-77 victory over Rhode Island in the final of the Midwest Regional of the National Collegiate Athletic Association tournament at the Kiel Center.

That video might also help the game officials determine if some of the fouls they did and did not call in the last two minutes of the game were correct. And it might help clear up the faulty memory of the Stanford guard Arthur Lee, because he does not remember making the choke sign twice when the Rams guard Tyson Wheeler missed three free throws that would have tied the score with five seconds to play.

Trailing by 71-65 with 59.3 seconds to play Sunday, third-seeded Stanford (30-4) went from heartbreak to elation. The Cardinal will go to its first Final Four since the team won the national championship in 1942, facing Kentucky, the South Regional champion, on Saturday in San Antonio.

"Wow! The Final Four," Coach Mike Montgomery of Stanford said. "I can't tell you what happened at the end. We made several plays in a row that allowed us to get within striking distance, to give us a chance to win. The next thing you know, the whole thing swings."

Over the course of the last two minutes, Rhode Island (25-9), the eighth-seeded team, collapsed.

"Arthur Lee made three outstanding plays down the stretch," the Rhode Island coach, Jim Harrick, said. "We had a chance to win the game, but we just didn't get it done. Our guys played their guts out. We controlled the game the whole second half, except the last two minutes."

The Cardinal was trailing by 66-60 with two minutes to play when Lee, who scored a game-high 26 points, took control, overshadowing a magnificent performance by Wheeler (24 points and 13 assists). Over that span, Lee scored 13 of the Cardinal's 19 points and had a crucial steal with 26 seconds to play.

Harrick and his players, particularly the guard Cuttino Mobley, were upset with the officiating in the final minutes.

"I thought we had control of the game," Mobley said. "Toward the end there were some inconsistent calls by the refs. Just let us play. Either call it or don't call it. Don't have it determined by what you call."

Mobley was angry over one call and one noncall in particular. The first came when Rhode Island forward Luther Clay was called for a foul against Lee on a driving layup with 33 seconds to play; the basket and Lee's successful free throw pulled Stanford within 74-73.

Mobley said Lee should have been called for a foul when he stripped Mobley of the ball on the ensuing inbound play with 26 seconds to play. The ball popped loose and Mark Madson recovered it for Stanford. The forward dunked it and was fouled by the Rams forward Antonio Reynolds-Dean. Madson made the free throw for a 76-74 Stanford lead.

Lee said he did not think his action was a foul. "If I did it, it doesn't mean anything now, but I didn't," he said. "What are they going to do? Take the Final Four away from us?"

From that point on, Rhode Island unraveled. Nothing was more emblematic of that than Wheeler, who was fouled by Lee on a 3-point attempt with Rhode Island trailing by 77-74 with five seconds remaining, missing all three free throws. Lee clutched his throat with both hands and stuck out his tongue, making the choke sign.

## SCOREBOARD

### BASEBALL

#### EXHIBITION BASEBALL

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

MINNESOTA 5, BOSTON 4  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6  
BOSTON 5, MINNESOTA 2  
CLEVELAND 4, TORONTO 3  
HOUSTON 7, KANSAS CITY 6

### PACIFIC DIVISION

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34

SEATTLE 30 17 346 —  
L.A. LAKERS 48 19 276 2  
PHOENIX 45 23 462 5  
PORTLAND 37 30 352 13  
SEACREW 26 26 377 16  
L.A. CLIPPERS 15 22 224 35  
GOLDEN STATE 14 54 206 34



## ART BUCHWALD

## The Answerman

WASHINGTON — Here are the questions that everyone is asking concerning the Starr-White House Circus.

**QUESTION:** Why doesn't the scandal have a name, such as "Watergate"?

**ANSWER:** The country lucked out when the original crime was a break-in of the Watergate apartment and office complex. This name fitted most headlines and was easy to remember.

Since most of the stuff being bandied about allegedly took place at the White House, it is too confusing to separate the good stuff that went on from the bad stuff. So the nearest we have to a name is the "Lewinsky-White House Intern Case."



Buchwald

**Q:** Who in the press decides which guests appear on which talk shows?

**A:** It works like the draft system in sports. The talk show with the lowest rating has the first choice. Once the first draft choices are made, the talk shows will start trading. Let's say Barbara Walters wants Paula Jones. She'll offer Diane Sawyer Linda Tripp and throw in William Ginsburg as a bonus. "60 Minutes," having wrong Kathleen Willey dry, will offer her to "Dateline" for Jennifer Flowers and a left-handed second baseman.

**Q:** Why does the president keep going up in the polls every time he's accused of questionable conduct?

**A:** It has nothing to do with misconduct. It has to do with the price of gasoline. The price for petroleum hasn't been this low for 24 years. The American people are still far more interested in filling their tanks than in what happened in the Oval Office and whom the president bought gifts for when he was on vacation.

**Q:** Will there ever be an end to "Lewinsky-Gate"?

**A:** Not in our time, and not in our children's time. Starr, as prosecutor, has vowed to subpoena every American who has any knowledge of the case or knows someone who did, or anyone who ever spoke to President Clinton in the Oval Office during the ordeal, including Boris Yeltsin.

**Q:** How much will the investigation cost?

**A:** No more than one nuclear aircraft carrier.

**Q:** I'm going to a cocktail party tonight. What do I say about all this?

**A:** Just say, "I'm getting sick and tired of reading all this junk. Did anything happen today that I missed?"

## Paris Ballet

## To Visit China

Agence France-Presse

PARIS — The Paris Opera Ballet will embark on its first full-company tour of China in April with three days of performances in the Great Hall of the People in Beijing.

Brigitte Lefevre, Paris Opera dance director, said the 75 dancers would perform a mixture of ballets from classical Western dance. The highlight of the April 11-13 program will be "Giselle," created for the company in 1841.

The tour was organized after a request by Chinese authorities during President Jacques Chirac's visit to Beijing last year. The ballet visited Shanghai in 1988, but it was not as a full company.

## 'Primary Colors': The Audience Exit Poll

By Bernard Weinraub  
New York Times Service

LOS ANGELES — Mike Nichols, the director of "Primary Colors," and the studio executives involved in the film have insisted all along that their movie about a Southern governor's political ascendancy is not really about Bill Clinton.

Right. Just ask moviegoers who saw the film, which stars John Travolta and opened over the weekend at a respectable No. 2 at the box office (an estimated \$12.4 million) after, of course, "Titanic."

"Travolta had every gesture down pat, every one," said Pam Rodgers, a 40-year-old corporate controller in Little Rock, Arkansas. "It brought the house down."

Moments later, Laura Burns, an executive assistant, left the theater and said: "You forget you're watching John Travolta. He had Clinton down so well. The hands, the mouth, the gestures. We were laughing so much, an elderly lady in front of us got up and moved."

There was more intense interest in "Primary Colors" in Little Rock than other cities, but moviegoers in places like Denver, Boston, Atlanta, New York and Los Angeles seemed to be drawing a very blurred line between the screen characters and their White House counterparts, which is both a blessing and a curse for the \$65 million screen adaptation of Joe Klein's best-selling roman à clef about the presidential campaign of a shrewd, seductive, womanizing, doughnut-eating Southern politician.

The blessing for Nichols and Universal, which made the film, is that "Primary Colors" has stirred enormous magazine and newspaper attention, especially in the two months since the Monica Lewinsky scandal broke. The curse is that moviegoers may be too saturated with real-life events to see a film based on them. For example, studio tracking of interest in the movie found a highly unusual dip early last week after the interview on CBS's "60 Minutes" with Kathleen E. Willey, a former White House worker who claimed Clinton made an unwelcome sexual advance.

As one top distribution executive at a rival studio said: "Normally the last week is when you're cooking with audience interest. And in this case you had the stars working the film on television, tremendous publicity and a lot spent on advertising. You can only assume that Kathleen Willey pushed things to the saturation point."

Although Universal executives had privately hoped that "Primary Colors" would reach the \$15 million range, Nikki Rocco, president of distribution at Universal Pictures, said the studio was delighted with the outcome. "It's great that we're No. 2 and taking home the silver," she said. "Our exit polls show that people love the film." As expected,



"Primary" candidate Travolta with idealistic campaign aide Adrian Lester.

the film plays mostly to an older audience, that is, over 25.

What pleased Nichols — "I'm really happy," he said Sunday morning — as well as Universal is that the film's box-office earnings mirrored the first weekend for another adult comedy-drama, James L. Brooks's "As Good As It Gets." That hit film, which opened over Christmas, has taken in \$126 million.

Film-makers are trying to make movies about the reality of people's lives, Nichols said, and "are heartened when a movie like that is a success. That's very good news. And it looks like we're following somewhere in its footsteps."

Nichols said that "Primary Colors" was obviously patterned after real events. "It would be disingenuous to say it isn't," he said. "But it's fiction. It's fiction connected to real events."

Reaction around the United States made it evident that, although some moviegoers showed up mainly to see Travolta, the bulk of those attending were at least somewhat interested in seeing the fictional versions of Bill and Hillary Rodham Clinton, as played by Travolta and Emma Thompson.

"I wanted to see the link between the real-life version and the movie version," said Leon Janney, 56, who works in public relations, as he bought a ticket on Friday in Manhattan. In Denver, Tom Tiede, a 33-year-old investor, waiting to buy a ticket, said: "I expect it to be a spoof of what's

happening in real life. It seems like it's very apropos with what's going on in Washington these days."

But some moviegoers echoed Nichols's views about the film.

Outside a theater in downtown Denver, Chris Mootz, a 44-year-old lawyer, said he had found the film a serious exploration of politicians. "It was thought-provoking in that it's not a matter of judging them," he said, "but in why we are electing the people we do and how we choose the people we are electing. We want our politicians to be saints, but they are flawed human beings." His wife, Claire Mootz, said, "We didn't go to see it to get the latest dirt on Bill and Hillary. We can read that in the newspaper."

There seemed to be a consensus among moviegoers questioned by The New York Times that Thompson did not seem to echo Mrs. Clinton, but that Travolta was definitely the president.

"Most of my friends didn't want to see the film," said Shani Evans, a 23-year-old writer and dancer who lives in East Harlem. "They associated it with politics and not a movie. People don't seem to know what's real and what's fake. There was a suicide in the film, and I could hear people saying, 'Vince Foster.' When John Travolta made this big, moving go-get-'em speech, a woman in the audience started clapping. It was a very responsive audience. Some events in the movie seemed ripped from the headlines."

Similarly, Ronnie Riceberg, a 49-year-old teacher in Boston, said that it was impossible to avoid the fact that the movie dealt, more or less, with Bill Clinton. "I thought it was sympathetic to Clinton," said Riceberg. "I expected it to condemn him, but it painted him as a person with foibles that we all possess but don't go public with."

As to Thompson's portrayal of the candidate's wife, many viewers seemed to distinguish between fact and fiction. "Emma was not Hillary at all; Hillary is softer," said Burns in Little Rock. "When I looked at Travolta, I was looking at Clinton."

Buffy Shutt, the president of marketing at Universal, acknowledged that the campaign for "Primary Colors" was formidable. "The real challenge is to create and maintain a separate identity for the movie," she said. "We didn't want to politicize the movie. We didn't want to advertise it as a political treatise, which it's not. It's an entertaining movie first and foremost."

Shutt said that the reasons audiences see a film, or don't, is sometimes beyond the work of marketers. "You don't have any control over the unconscious," she said. "You set out to create this mosaic of impressions and you don't know which of the moments and ideas and thoughts will connect most strongly with the audience."

## PEOPLE

chance sur deux" (One Chance in Two), which received poor reviews after previews. The film, a cops-and-robbers comedy, co-stars Jean-Paul Belmondo. Delon is known to have been disappointed by public indifference to his last three films, all box-office flops.

The English artist Anusman Biswas spent 10 days inside a box in total silence and without food in the interest of science. The Guardian newspaper reported

Monday, Biswas said his period in the black box, measuring 2 meters by 2.7 meters, was intended to "redefine the Western science of particle physics using Eastern meditation techniques." He Ostaged his "performance" at a small art gallery in south London, sustained by 30 liters of water taken through a drinking straw. Biswas, on emerging, described the experience as "actually quite banal."

A federal jury in Springfield, Missouri, rejected the claims of two of Tony Orlando's former backup singers, who said the entertainer sexually harassed them. "For the last two years, I think people are looking at me like 'There goes that sexual harasser, that slimeball,'" Orlando said after the verdict. "It's a degrading kind of condition." Sonya and Aleta Bucklew, sisters who sang for Orlando at his Yellow Ribbon Theater in Branson, Missouri, complained about constant berating and verbal abuse before they quit in 1994.

Hundreds of the late Richard Burton's books were sold at auction in London for \$24,000, and his widow said the money would go to theater charities. "Frankly, I would much rather Richard's fans had an opportunity to own his personal copies than see them forever stored away in a library cellar," Sally Burton said.

## Garcia Marquez Memoirs

Reviews

MEXICO CITY — The Nobel prize winner Gabriel Garcia Marquez unveiled the first chapter of a forthcoming book of memoirs at the Mexico City Festival.

The Colombian author surprised a packed house at the Colegio Nacional building when he revealed he had been working on his memoirs "Vivir para contarla" (Living to Tell the Tale) for more than 10 years, and plans to publish six volumes.

"The first one is ready. It will be a challenge to see how far I get," the 71-year-old Garcia Marquez said with a smile.

THE film "The Postman," directed by and starring Kevin Costner, was chosen the worst movie of the year in the 18th annual edition of the Golden Raspberry Foundation. The Razzies are handed out each year on the eve of the Oscar ceremony. Costner also took the Razzie for worst director and actor, and the movie was dis-honored for worst screenplay. The film's entire score got the worst song trophy. The foundation said it was the first movie ever to take every Razzie for which it was nominated. But it wasn't alone in its sweep. Also winning in every category in which it was nominated was "Double Team," starring Jean-Claude Van Damme and the neon-haired basketball star Dennis Rodman. Three of the "Double Team" awards went to Rodman himself: worst supporting actor, worst screen couple (with Van Damme) and worst new star. Worst actress dis-honors went to Demi Moore for her portrayal of a shaven-headed Navy SEAL in "G.I. Jane" and worst supporting actress was Alicia Silverstone for her Batgirl role in "Batman and Robin."

Alain Delon, heartthrob and screen tough guy for more than four decades, says he has decided to quit films. "I think I've said everything I wanted to say in cinema," Delon, 62, said in a television interview. "I don't feel like saying anything else. I think I'd better retire." He was interviewed about his latest film, "Une



Costner and co-star in "The Postman": A sweep in the Razzies.



To reach the other side of the world the easy way, use AT&T DIRECT™ SERVICE. Simply dial the access number for the country you're in and you'll be connected to English-speaking operators and get AT&T's quick, clear connections. Plus, you can use your AT&T Calling Card or any of these major credit cards.

Now, what could be easier than that?

It's all within your reach.



## Steps to follow for easy calling worldwide:

1. Just dial the AT&T Access Number for the country you are calling from. 2. Dial the phone number you're calling. 3. Dial your card number.

AT&T ACCESS NUMBERS			
Austria*	012-903-011	Greece*	00-800-1311
Belgium*	0-800-100-10	Ireland*	1-800-550-000
Czech Republic*	00-42-000-101	Israel	177-100-2727
Egypt (Cairo)	510-0200	Italy*	172-1011
France	0-800-99-0011	Netherlands*	0800-022-9111
Germany	0130-0010	Russia*(Moscow)*	755-5042
		Saudi Arabia*	1-800-10
		Spain	900-99-00-11
		Sweden	020-795-611
		Switzerland*	0800-89-0011
		United Kingdom*	0500-89-0011
		United Kingdom*	0800-89-0011

For access numbers not listed above ask any operator for AT&T Direct™ Service, or visit our Web site at <http://www.att.com/traveler>

\*Credit card calling subject to availability. Payment terms subject to your credit card agreement. Bell-located countries permit country-to-country calling outside the U.S. Collect calling is available to the U.S. only. Country-to-country rates consist of the cost of a call to the U.S. plus an additional charge based on the country you are calling from. Collect calls are not available to the U.S. from all countries listed above. \*Public phones require coin or card deposit. \*Calling outside U.S. requires international phone number. \*International calls require local coin payment during the call. \*Dial '12' first, outside Canada. \*Additional charges apply outside Mexico. \*Use UK access number in N. Ireland. \*AT&T

The World's Daily Newspaper

Clinton Tells Africans of Regret for Sins of Past

Neglect and Ignorance of the Continent Were Worst, He Says

KAMPALA, Uganda — President Clinton said a measured mea culpa on Tuesday for past "neglect and ignorance" toward Africa, and urged support for representative government and participation by Africans in their own country.

Clinton said he was "deeply sorry" for the "neglect and ignorance" of the continent, and urged support for representative government and participation by Africans in their own country. He said he was "deeply sorry" for the "neglect and ignorance" of the continent, and urged support for representative government and participation by Africans in their own country.

See AFRICA, Page 2

or Africa, by Visiting, Clinton

By R. W. Apple Jr.

KAMPALA, Uganda — Africa is the Red Dragonfield of continents, the place to pay its scant heed and respect.

## NEWS ANALYSIS

It's out to change in his 12-day trip, three times longer than all of the previous combined have spent in the continent, which the mission had Livingston once described as "a running sore of the world."

Recent decades Africa has mostly trouble, from the Biafran insurrection to civil war in Angola, from famine in Ethiopia and Somalia to genocide in Rwanda, from Ian Smith to Idi Amin. The transition from apartheid to democracy in South Africa under Nelson Mandela's leadership has broken the pattern, at least enough to catch the eye.

Clinton thinks the winds of change are blowing, says a "new African Renaissance" is at hand and just by the way, he has accomplished what he has demonstrated, say the diplomats and students of the continent's African policy, that the United States no longer considers peripheral.

Africans had pretty well convinced us we didn't give a damn about Africa, said C. Payne Lucas, who heads an organization of African Americans in 30 African countries. He ignored this continent, except for the Peace Corps, the big oil companies, and there, so this is a crisis here and there, so this is a very helpful signal.

There is widespread, profound concern about the president's broad-

Newstand Prices  
10.00 FF Lebanon  
12.50 FF Morocco  
1.800 CFA  
5.50 CFA  
10.00 FF Reunion  
1.100 CFA Senegal  
2.800 Lira Spain  
1.250 CFA Tunisia  
700 FF U.A.E.  
700 FF U.S. MIL (Eur) \$7.20